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Please find below and/or attached an Office communication concerning this application or proceeding.



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**BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Application Number: 09/504,159  
Filing Date: February 15, 2000  
Appellant(s): VAIDYANATHAN ET AL.

**MAILED**

NOV 30 2006

**GROUP 3600**

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Kent J. Sieffert  
For Appellant

**EXAMINER'S ANSWER**

This is in response to the appeal brief filed November 7, 2005 appealing from the Office action mailed September 23, 2005.

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**(1) Real Party in Interest**

A statement identifying by name the real party in interest is contained in the brief.

**(2) Related Appeals and Interferences**

The following are the related appeals, interferences, and judicial proceedings known to the examiner which may be related to, directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal:

Application serial number 10/672136 is a continuation of this application and an appeal brief has been filed with this application.

**(3) Status of Claims**

The statement of the status of claims contained in the brief is essentially correct.

Claims 1-17, 20-22, 25-31, 64-73, 93-100 and 108-117 are currently pending.

Claims 80-19, 23-24, 32-63 and 74 have been cancelled.

Claims 75-92 and 101-107 have been withdrawn.

**(4) Status of Amendments After Final**

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

**(5) Summary of Claimed Subject Matter**

The summary of claimed subject matter contained in the brief is essentially correct.

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The requirements under this heading are set forth below:

37 CFR 41.37(c)(1)(v) requires the summary of claimed subject matter to include: (1) a concise explanation of the subject matter defined in each of the independent claims involved in the appeal, referring to the specification by page and line number and to the drawing, if any, by reference characters and (2) for each independent claim involved in the appeal and for each dependent claim argued separately, every means plus function and step plus function as permitted by 35 U.S.C. 112, sixth paragraph, must be identified and the structure, material, or acts described in the specification as corresponding to each claimed function must be set forth with reference to the specification by page and line number, and to the drawing, if any, by reference characters.

The Examiner requests that the Board disregard applicant's discussion starting with the first paragraph under the heading of Summary of the Claimed Subject Matter on page 4 of the appeal brief through to the middle of page 7.

The information provided by the appellant in these paragraphs is not directed to the claimed subject matter. On page 4, appellant identifies independent claims 1 and 112 as *requiring specific structural and functions elements related to an embodiment described in the present application in which an online dispute system is integrated with an online marketplace*. In the second paragraph on page 4, the appellant states that *an online marketplace is described extensively in the present application as an example of a "partner" and having "partner data."*

The terminology *integrated*, *partner* and *partner data* do not appear anywhere in the claims 1 or 112. Appellant states that independent claims 1 and 112 require specific structural and functional elements related to the integration of the online dispute system with partner systems. Appellant then goes into a description of the specification and different embodiments of the invention set forth in the specification, but not set forth in the claimed subject matter on appeal. The

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appellant addresses the drawings, especially Figures 1 and 2B. On page 6 of the appeal brief, appellant has inserted a paragraph from the specification with certain terminology underlined. However, these aspects are not included in the claimed subject matter. Appellant does not start to provide a concise explanation of the claimed subject matter identified in the claims in this appeal until the middle of page 7.

The Examiner notes on page 7 wherein appellant identifies the claimed subject matter of independent claim 1 the appellant refers to the Figures 1 and 2B as showing support for the first three steps of the method. Although these Figures show support for the structure of a system, appellant's independent claim 1 is to a method. The appellant does not provide any reference as to where support for the steps of the claimed subject matter can be found in the specification. In addition, the appellant has not provided any reference, either to a drawing or the specification, as to fourth step of method claim 1.

#### **(6) Grounds of Rejection to be Reviewed on Appeal**

The appellant's statement of the grounds of rejection to be reviewed on appeal is essentially correct. However, the Examiner will present the grounds of rejection in the order that they appear in the Office action mailed on September 23, 2005. The following grounds of rejection are to be reviewed:

1. Claims 111 and 115 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to

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reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

2. Claims 1-17, 20-22, 25-27, 64-73, 93-99, 100,109, 110-113, and 115 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sloo (US 5,895, 450) (hereinafter referred to as Sloo) in view of Collins et al (US 2002/0007362) (herein referred to as Collins).

3. Claim 108 is rejected under 35 U.S.C. 103(a) as being unpatentable over Sloo in view of Slaikeu (US Patent 2001/0007106).

4. Claims 28-31, 114, and 116-117 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sloo and Collins as applied to claim 1 above, and further in view of [www.truste.com](http://www.truste.com) (retrieved from the Internet Archive Wayback Machine) (hereinafter referred to as TRUSTe).

#### **(7) Claims Appendix**

The copy of the appealed claims contained in the Appendix to the brief is correct.

#### **(8) Evidence Relied Upon**

5,895,450	SLOO	4-1999
2002/0007362	COLLINS ET AL	1-2002
2001/0007106	SLAIKEU	6-2001

**WWW.TRUSTE.COM** retrieved from the Internet Archive Wayback Machine

#### **(9) Grounds of Rejection**

The following ground(s) of rejection are applicable to the appealed claims:

***Claim Rejections - 35 USC § 112***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 111 and 115 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

In claims 111 and 115 the appellant claims *wherein the online dispute resolution system and the marketplace have separate database, automatically electronically communicating transaction data between the database of the online dispute resolution system and the database of the electronic marketplace;* wherein the online dispute resolution system comprises a data manager software application *to automatically communicate data between the database of the online dispute resolution system and the database of the electronic marketplace.*

The Examiner is unable to find support for the italicized portions of the claim language in the original disclosure. Therefore, the Examiner request that the appellant specifically direct the Examiner to the portions of the specification where there is support for this claim language.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-17, 20-22, 25-27, 64-73, 93-99, 100,109, 110-113, and 115 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sloo (US 5,895, 450) (hereinafter referred to as Sloo) in view of Collins et al (US 2002/0007362) (herein referred to as Collins).

Referring to Claim 1:

Sloo discloses a method and a system for resolving a commerce dispute involving one or more parties (a *complaint handling apparatus (Figure 1)*) for resolving *complaints related to goods, class of goods, services, and/or venders, the subjects of the complaints may be manufacturers, distributors, wholesalers, retailers or any other responsible persons or entities* (col. 3, lines 1-8) with a *plurality of access terminals* (col. 3, lines 8-11), comprising:

electronically providing access to an online dispute resolution system to allow at least one of the parties to initiate a filing of the dispute from a marketplace (Figs. 1-6, col. 2, line 53 thru col. 3, line 7 - *the complaint handling apparatus 10 broadly includes a central computer 12 and a plurality of access terminals coupled with the central computer by a communication network 16;* (col. 3, lines 8-39) (electronically providing access to an online dispute system);



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*the access terminals receive complaints and responses from the users (col. 3, lines 18-20) (to allow one of the parties to initiate a filing of a dispute); the users of the apparatus who file complaints may include individuals, businesses, organizations or other entities and the complaints may relate to goods, classes of goods, services, and/or vendors, individuals, organizations or any object, the subject of the complaint may be individuals, manufacturers, distributors, wholesalers, retailers) (col. 3, lines 1-8) (wherein the dispute may be filed from a marketplace) (retailer, wholesaler, complaints relating goods and services; col. 17, line 66 thru col. 18, line 16 consumer complaint module);*

*electronically receiving with the online dispute resolution system transaction data from the marketplace, wherein the transaction data describes transactions within the marketplace (the Examiner interprets "electronically receiving data" to include data entered manually and transmitted through a communication network - Figs. 3-9; col. 2, lines 7-20 - receiving complaints and responses over the communication network (col. 3, lines 18-20) (electronically receiving with the online dispute resolution system transaction data (responses), the users of the apparatus who file complaints may include individuals, businesses, organizations or other entities and the complaints may relate to goods, classes of goods, services, and/or vendors, individuals, organizations or any object, the subject of the complaint may be individuals, manufacturers, distributors, wholesalers, retailers (from a marketplace) wherein the apparatus receives complaints, notifies the subject of the complaints, receives responses from the subject (transaction data from the marketplace), stores the complaints*

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*and associated responses in individual data records (col. 2, lines 56-59); see also, col. 2, lines 56-59; see Figure (500) and discussion as to Figure 5 (column 5, line 66 through column 6, line 14 and col. 6, lines 55-60) – this portion of the program permits a subject to respond to a complaint issued against it. The subject may respond to the complaint by entering information in one of the access terminals and e-mailing or transmitting the information to the central computer by way of the communication network) (responses to the complaints are received – see Figure 5 (500). (The Examiner is interpreting a response to a complaint from a retailer via the complaint handling apparatus as transaction data being received from the marketplace. Electronically receiving transaction data would include data entered manually into a computer and would include any communication over the network);*

*receiving from at least one of the parties information (complaint) related to the dispute (col. 2, lines 53-65; col. 3, lines 19-29 the access terminals 14 receive complaints and responses from the user, deliver them to the central computer 12 (column 2, lines 56-57, column 3, lines 19-29); and*

*executing software with the online dispute resolution system (artificial intelligence (e.g. neural network linking)) to apply an online dispute resolution process that utilizes at least a portion of the transaction data and the information to assist the parties in resolving the dispute (col. 3, lines 8-67 - each access terminal includes conventional memory and software for communicating with and interpreting the data sent from the central computer (col. 3, lines 8-67); col. 1, line 66 thru col. 2, line 6 the central computer is programmed to receive*

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*complaints and responses, store the complaints and responses in individual data records, and negotiate settlements to the complaints; col. 2, lines 12-20 and Figure 9 - the central computer is programmed to monitor and rate the conduct and performance of both the complainants and the subjects; the ratings can be used to affect the outcome of the disputes and hold the parties accountable for their conduct; col. 9, line 40 through col. 10, line 39 when the program uses artificial intelligent techniques to make a decision regarding a dispute, it considers the performance records of all participants to the dispute when rendering a judgment; the program evaluates all of the gathered information to arrive at a judgment; the program may compare the characteristics from the current data record with the characteristics from the data records for the previously resolved complaints to arrive at an appropriate judgment; col. 10, lines 58-61 by monitoring participant behavior in certain situations and outcomes over time the program may compare the current situation with other similar situations having known outcomes and predict the outcome for the present situation based on known outcomes. Artificial intelligence techniques may be used to predict an outcome based on what it has learned about behavior, situations and their outcomes. Thus, the program may suggest the best behavior to a user).*

Although Sloo discloses that the complaints may relate to goods, classes of goods, services, and/or the vendors (col. 3, lines 2-7) and transaction data (col. 9, lines 57-63), Sloo does not disclose that the marketplace is an electronic marketplace or that the process utilizes at least a portion of the transaction data from the marketplace in resolving the dispute.

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However, Collins discloses an electronic marketplace ([0039] *a customer may have a dispute with a merchant. The dispute may arise in connection with a transaction occurring over the Internet*) and that the process utilizes at least a portion of the transaction data from the marketplace in resolving the dispute ([0042] *each party sends position data over the network to central server 120; the relational database associates the data from each party to components in the database to form the ZOPA (zone of possible agreement) template*).

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the electronic marketplace and marketplace data with the complaint handling method and system of Sloo so as to facilitate agreements in disputes involving transactions occurring over the Internet between a merchant and a consumer.

Referring to Claim 112:

Sloo discloses a system that electronically receives transaction data from a marketplace Figs. 3-9; col. 2, lines 7-20 - *receiving complaints and responses over the communication network* (col. 3, lines 18-20) (electronically receiving with the online dispute resolution system transaction data (*responses*), *the users of the apparatus who file complaints may include individuals, businesses, organizations or other entities and the complaints may relate to goods, classes of goods, services, and/or vendors, individuals, organizations or any object, the subject of the complaint may be individuals, manufacturers, distributors, wholesalers, retailers* (from a marketplace) wherein *the apparatus receives complaints, notifies the subject of the complaints, receives responses from the*

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*subject (transaction data from the marketplace), stores the complaints and associated responses in individual data records (col. 2, lines 56-59); see also, col. 2, lines 56-59; see Figure (500) and discussion as to Figure 5 (column 5, line 66 through column 6, line 14 and col. 6, lines 55-60) – this portion of the program permits a subject to respond to a complaint issued against it. The subject may respond to the complaint by entering information in one of the access terminals and e-mailing or transmitting the information to the central computer by way of the communication network) (responses to the complaints are received – see Figure 5 (500). (the Examiner is interpreting that a response to a complaint from a retailer via the complaint handling apparatus as transaction data being received from the market place. Electronically receiving transaction data would include data entered manually into a computer and would include any communication over the network);*

*wherein the system executes software that utilizes the transaction data and applies a dispute resolution process (col. 3, lines 8-67 - each access terminal includes conventional memory and software for communicating with and interpreting the data sent from the central computer (col. 3, lines 8-67); col. 1, line 66 thru col. 2, line 6 the central computer is programmed to receive complaints and responses, store the complaints and responses in individual data records, and negotiate settlements to the complaints; col. 2, lines 12-20 and Figure 9 - the central computer is programmed to monitor and rate the conduct and performance of both the complainants and the subjects; the ratings can be used to affect the outcome of the disputes and hold the parties accountable for*

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*their conduct; col. 9, line 40 through col. 10, line 39 when the program uses artificial intelligent techniques to make a decision regarding a dispute, it considers the performance records of all participants to the dispute when rendering a judgment; the program evaluates all of the gathered information to arrive at a judgment; the program may compare the characteristics from the current data record with the characteristics from the data records for the previously resolved complaints to arrive at an appropriate judgment; col. 10, lines 58-61 by monitoring participant behavior in certain situations and outcomes over time the program may compare the current situation with other similar situations having known outcomes and predict the outcome for the present situation based on known outcomes. Artificial intelligence techniques may be used to predict an outcome based on what it has learned about behavior, situations and their outcomes. Thus, the program may suggest the best behavior to a user)*

*wherein the system electronically provides status data based on the participation of the parties (col. 2, lines 7-12 the central computer is programmed to provide public access to the data records to permit viewing of the corresponding complaints, responses, and settlements for allowing other users to gauge the conduct of the subject; col. 6, lines 24-32 the monitoring information is stored in the subject's performance record and used to rate the subject's conduct; Figure 9 Monitor Compliance (900); update performance records (908); col. 11, line 44 thru col. 12, line 14).*

Although Sloo discloses that the complaints may relate to goods, classes of goods, services, and/or the vendors (col. 3, lines 2-7) and transaction

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data (col. 9, lines 57-63), Sloo does not disclose that the marketplace is an electronic marketplace or that the process utilizes at least a portion of the transaction data from the marketplace in resolving the dispute.

However, Collins discloses an electronic marketplace ([0039] *a customer may have a dispute with a merchant. The dispute may arise in connection with a transaction occurring over the Internet*) and that the process utilizes at least a portion of the transaction data from the marketplace in resolving the dispute ([0042] *each party sends position data over the network to central server 120; the relational database associates the data from each party to components in the database to form the ZOPA template*).

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the electronic marketplace and marketplace data with the complaint handling method and system of Sloo so as to facilitate agreements in disputes involving transactions occurring over the Internet between a merchant and a consumer.

The language defining the marketplace as a web-based community having buyers and sellers of goods and services is an attempt to define a system by a characteristic rather than by its specific structure. Collins identifies a system for facilitating agreement between a customer and a merchant wherein the transaction may have occurred over the Internet ([0039]). Therefore, the Examiner has reason to believe that the systems of Collins and Sloo would be capable of resolving disputes over a marketplace defined as a web-based community having buyers and sellers of goods and services.

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The type of data being transmitted is considered to be non-functional descriptive data not interrelated with the useful structure of the system and thus will not serve as a limitation. This descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F. 2d. 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F. 3d 1579, 32 USPQ 2d 1031 (Fed. Cir. 1994).

Furthermore, the recited statement of intended use of the system, to assist the buyers or sellers in resolving disputes relating to the transactions, does not patentably distinguish the claimed invention.

Referring to Claim 2 and 64:

Sloo discloses a method and system for complaint handling (*resolving disputes; page 2 lines 54-56*) over a complaint handling apparatus which includes a computer (Figure 1 and page 3, lines 8-30) wherein there are at least two modes (Figure 7), the first mode requiring the online dispute resolution process to be driven by an electronic agent (col. 7, lines 29-40 *Automatic Negotiator which allows the apparatus to determine a resolution to the dispute* and a second mode involving a human dispute resolution specialist (Judge/Jury Figure 7 (712)) (the system comprising a database (*col. 3, lines 8-17; col. 20, lines 25-26 storing means for storing*) and server that receives information and compares the information (col. 20, lines 57-58 *comparing means for comparing said data*) comprising automatically selecting one of two modes of resolving the dispute (Figure 7), the first mode requiring the online dispute resolution process being driven by an electronic agent to assist the parties in resolving the dispute



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(Automatic Negotiator (Figure 7 (702) and the second mode involving a human dispute resolution specialist (Figure 7 (712) Judge/Jury).

Referring to Claim 3:

Sloo discloses a method wherein the case-based reasoning system contains a history file (*Fig. 2 (206-216), col. 1, line 66 thru col. 6 data records; col. 9, lines 32-48 when the program uses artificial intelligent techniques to make a decision regarding a dispute, it considers the performance records of all participants to the dispute when rendering a judgment*).

Referring to Claim 4:

Sloo discloses a method and system wherein the history file contains patterns and precedents, further comprising applying the patterns and precedents to generate an outcome prediction (col. 10, line 54 thru col. 11, line 2 - *By monitoring participant behavior in certain situations and outcomes (complaint activity or measurable satisfaction levels) over time, the program may compare the current situation with other similar situations having known outcomes and predict the outcome for the present situation based on these known outcomes. Artificial intelligence techniques may be used to predict an outcome based on what it has learned about behavior, situations and their outcomes. Thus, the program may suggest the best behavior to the user to reduce the number of complaints by providing guidelines for appropriate behavior before a dispute arises*).

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## Referring to Claim 5:

Sloo discloses a method further comprising presenting the outcome prediction to the parties to assist the parties in selecting the mode of resolving the dispute (*col. 10, line 54 thru col. 11, line 2, col. 11, lines 21-36 the program then retrieves data records from previously resolved complaints in step 804 to evaluate the information entered in step 802 to arrive at a proposed solution to the current question or dispute. For example, the program may compare the characteristics from the current question or dispute with the characteristics from the data records for the previously resolved complaints to arrive at an appropriate solution. Over time, the apparatus and program will accumulate a large number of data records that can be used to accurately predict a solution for almost any type of complaint or dispute. The program then transmits or allows the user to view the proposed solution in step 806, col. 14, lines 33-44, Fig. 2).*

## Referring to Claim 6:

Sloo discloses a method wherein the outcome prediction includes one or more likely outcomes and associated probabilities of occurrence (*col. 10, line 54 thru col. 11, line 2, col. 11, lines 21-36, col. 12, line 47 thru col. 13, line 23).*

## Referring to Claim 7:

Sloo discloses a method further comprising receiving settlement position from the parties (*col. 2, lines 53-65, col. 4, lines 63-65 the program preferably prompts the user or complainant to enter a detailed complaint, the action the user*

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*requests to resolve the complaint or dispute, col. 7, line 66 thru col. 8, line 4 the program may allow the complainant to establish a settlement).*

Referring to Claim 8:

Sloo discloses a method system further comprising automatically settling the dispute if the settlement positions satisfy a predetermined criteria (Automatic Negotiator – col. 10, lines 35-39).

Referring to Claim 9:

Sloo discloses a method wherein the predetermined criteria relates to a monetary settlement position (*col. 7, line 66 thru col. 8, line 4 settlement (possibly a monetary value or a contract condition)*).

Referring to Claim 10:

Sloo discloses a method wherein the predetermined criteria relates to non-monetary settlement position (*col. 7, line 66 thru col. 8, line 4 contract condition*).

Referring to Claim 11:

Collins discloses the dispute resolution specialist resolves the dispute by transitioning from mediation stage to an arbitration stage (Figures 8a-8c; [0009] *if the mediation session does not produce an agreement, an arbiter is provided with the transcript*).

Referring to Claim 12:

Sloo discloses a method wherein the dispute resolution specialist generates a final recommended resolution (Fig. 7 (720) receive and store judgment; col. 8, lines 5-49 – *issue their judgment*).

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Referring to Claim 13:

Sloo discloses a method wherein the final recommended resolution is accepted by the one or more parties (col. 9, lines 50-52, col. 11, lines 37-42 a judgment was rendered that required the subject to reimburse the complainant for damaged merchandise and the subject filed to comply (implies an acceptance of the reimbursement).

Referring to Claim 14:

Collins discloses creating a contract between the one or more parties stating a willingness to abide by the recommended resolution (Figures 7a-7b).

Referring to Claim 15:

Sloo discloses a method further comprising communication among the parties using a plurality of communication modes (Fig. 2, communication network, col. 3, lines 31-39 *local area network, wide are network, wireless network, voice network*; col. 6, lines 55-67 mail or fax).

Referring to Claim 16:

Sloo discloses a method wherein the communication modes include a public messaging mode and a private messaging mode (Figs. 2, 7, col. 2, lines 7-9 *central computer is programmed to provide public access to data record*; col. 3, lines 30-38 *the private communications transmitted over the communication network may be encrypted or otherwise protected using available technology*).

Referring to 17:

Sloo discloses a method wherein the communication mode is selected by the dispute resolution specialist (col. 4, lines 1-8 and 45-60; col. 6, lines 55-64;

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col. 4, line 61 thru col. 5, line 2). It is inherent that the mode of communication can be selected by the system or the users which would include the dispute resolution specialist.

Referring to Claims 20-21:

Sloo discloses a method further comprising providing visual cues when applying the dispute resolution process to automatically highlight agreements between the parties (col. 13, lines 5-40 *apparatus may create warnings or bulletins on objects based on what it knows about the participants*; col. 13, line 59 thru col. 14, line 16).

Referring to Claim 22:

Sloo discloses a method further comprising storing status data on participation of the parties in the dispute resolution process (col. 2, lines 7-20, col. 6, lines 24-32 *the program may monitor how long it takes the subject to respond to the notification. This monitoring information is stored in the subject's performance record*; col. 8, lines 50-58 *program updates both the complainant's and subject's performance record*, col. 10, lines 54-64; col. 11, lines 37-43 Monitor Compliance; col. 17, line 66 thru col. 18, line 15).

Referring to Claim 25:

Sloo discloses a method wherein the data relates to compliance of a participant to a result of the resolution of the dispute (col. 2, lines 7-20, col. 10, lines 53-64; col. 11, line 38 thru col. 12, line 14 Monitor Compliance).

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Referring to Claim 26:

Sloo discloses a method further comprising communicating the status data from the dispute resolution system to the marketplace and highlighting an offender based on the status information (col. 11, lines 38 thru col. 12, line 5 *judgment rendered that required the subject to reimburse the complainant for damaged merchandise and the subject failed to comply; if program determines one of the parties in fact failed to comply with a term or condition of a judgment, it updates the appropriate data record to indicate the compliance failure and posts the information in the public record; col. 12, line 47 thru col. 13, line 24, col. 17, line 66 thru col. 18, line 14* ).

Referring to Claim 27:

Sloo discloses a method further comprising providing a system for assigning the dispute resolution specialist to a particular dispute (col. 8, lines 5-19 *the program then selects the judge or jury from a list of pre-qualified persons; preferably, these pre-qualified persons are categorized by criteria*).

Referring to Claim 72:

Sloo discloses a method further comprising determining a current mode of resolving the dispute; and automatically selecting a communication mode based on the determination (col. 6, lines 55-68; col. 10, line 54 thru col. 11, line 36).

Referring to Claim 73:

Sloo discloses a method further comprising providing the data to the parties to assist the resolution dispute (col. 4, line 61 thru col. 5, line 2 *program prompts user to enter his or her complaint; the program prompts user or*

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*complainant to enter a detailed complaint, the action the user requests to resolve the complaint or dispute, an abbreviated description of the complaint, col. 10, line 54 thru col. 11, line 5; col. 11, lines 27-36 the program may suggest the best behavior to the user; the program allows the user to view the proposed solution)*

Referring to Claim 100:

Sloo discloses a method further comprising maintaining a database that stores facts and outcome of previously resolved electronic commerce disputes (data records) (col. 2, lines 7-20; col. 5, lines 3-10, and 56-65; col. 15, lines 46-58), and wherein executing software apply a case-based reasoning system (col. 3, lines 8-30 and 45-53) comprises:

searching the database to identify previously resolved disputes with facts that are similar to the case information (col. 4, lines 14-17, col. 10, lines 13-22 col. 10, line 54 thru col. 11, line 2 *the program compares the current situation with other similar situations having known outcomes*);

identifying at least one likely outcome of the dispute based on the outcomes of the identified previously resolved disputes (col. 10, line 54 thru col. 11, line 5 *predicts the outcome of the present situation based on the known outcome*); and

presenting the identified likely outcomes to the parties as a potential resolution to the dispute to assist the parties in negotiating a resolution to the dispute (col. 10, line 54 thru col. 11, line 5, col. 11, lines 27-36 *predicts the outcome of the present situation based on the known outcome; suggest the best behavior to the user*).

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Referring to Claim 109:

Sloo discloses a method further comprising applying a case-based reasoning system to the information to produce a result for use in selection of a mode of resolving the dispute in accordance with an online dispute resolution process (col. 11, lines 21-36 *over time the apparatus and program will accumulate a large number of data records and can be used to accurately predict a solution for almost any type of complaint or dispute; the program transmits or allows the user to view proposed solution*; col. 14, lines 32-44).

Referring to Claim 65:

Sloo discloses a system wherein the server searches the database to identify previously resolved disputes with facts that are similar to the case information (col. 2, lines 7-20, lines 53-65, col. 4, lines 9-17, col. 10, lines 58-66; col. 10, line 54 thru col. 11, line 35 *the program compares the current situation with other similar situations having known outcomes*).

Referring to Claim 66:

Sloo discloses a system wherein the server presents the result of the comparison by presenting the outcomes of identified previously resolved disputes (col. 10, line 58 thru col. 11, line 35 *predicts the outcome of the present situation based on the known outcome; suggest the best behavior to the user; program transmits or allows the user to view the proposed solution*).

Referring to Claim 67:

Sloo discloses a system wherein the server summarizes the outcome of identified previously resolved disputes (col. 1, line 66 thru col. 2, line 12



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*complaints and responses are stored in individual data records; settlements and judgments are stored along with their respective complaints and responses in the data record; col. 10, line 58 thru col. 11, line 36; col. 14, lines 45-60).*

Referring to Claim 68:

Sloo discloses a system wherein the server presents the result of the comparison by generating an outcome prediction as a function of the facts and outcomes of the identified disputes, and presenting the outcome prediction to the parties (col. 10, line 54 thru col. 11, line 36 *the program compares the current situation with other similar situations having known outcomes and predicts the outcome of the present situation; program transmits or allows the user to view the proposed solution*, col. 12, line 47 thru col. 13, line 23).

Referring to Claim 69:

Sloo discloses a system wherein the outcome prediction includes at least one likely outcome (col. 10, line 54 thru col. 11, line 2, col. 11, lines 21-36, col. 12, line 47 thru col. 13, line 23).

Referring to Claim 70:

Sloo discloses a system wherein the outcome prediction includes associated probabilities of occurrence of the at least one likely outcome (col. 10, lines 13- 34 *the program may employ artificial intelligence processing with neural networks, fuzzy logic and/or genetic algorithms to analyze various scenarios using the gathered information; program may render further decisions based on collected data in a way that will most likely result in positive effects on society*, col. 10, line 54 thru col. 11, line 36, col. 12, line 47 thru col. 13, line 23).

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Referring to Claim 71:

Sloo discloses a system wherein the server presents the at least one likely outcome to the parties as a potential resolution of the dispute (col. 10, line 54 thru col. 11, line 36 *program then transmits or allows the user to view the proposed solution*; col. 12, line 47 thru col. 13, line 23, col. 14, lines 33-34).

Referring to Claim 93:

Collins discloses automatically select a resolution mode comprising one of (i) a direct negotiation mode that allows the parties to directly negotiate a resolution to the dispute via the computer network (Figure 8a (820), 8b (820)) , (ii) a conciliation mode that allows the parties to negotiate the resolution to the dispute through a mediator (Figure 8a (830) 8b (830)), and (iii) mediation mode that allows a mediator to propose a resolution to the dispute ([0045] *the second and third levels involve interaction with a live third party for resolving the conflict*).

Referring to Claim 94:

Sloo discloses a system wherein the server provides a preprogrammed recommended resolution to at least one of the parties based on the comparison (col. 2, lines 53-65, col. 10 line 54 thru col. 11, line 35, Automatic Decision Maker).

Referring to Claim 95:

Sloo discloses a system wherein the server:

performs an analysis of the dispute and presents pre-programmed recommended resolutions based on the analysis in the first mode (col. 10, line 54 thru col. 11, line 35 *the program compares the current situation with other similar*

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*situations having known outcomes; program then transmits or allows the user to view the proposed solution);*

performs a match of needs of the two parties as defined by the dispute to resolve the dispute in a second mode (col. 4, lines 14-17 *the program uses the information entered to search the memory of the central computer to find a subject or subjects that match the search data*);

providing a medium for the parties to independently resolve the dispute in a third mode (col. 4, lines 19-37, col. 5, line 66 thru col. 6, line 32; col. 6, line 55 thru col. 7, line 26 *the subject may respond to the complaint by entering information in one of the access terminals*); and

assigns a dispute resolution specialist to resolve the dispute in a fourth mode (col. 8, lines 5-18 *program selects a judge or a jury*).

Referring to Claim 96:

Collins discloses a system wherein the server provides a message exchange by which the dispute resolution specialist interacts with the parties to reach a recommended resolution (Figure 8a –8c; [0009] and [0045] *interaction with a live third party for resolving conflict*).

Referring to Claim 97:

Sloo further discloses a system wherein the server automatically assigns the dispute resolution specialists (col. 8, lines 5-20 *program selects a judge or a jury*).

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Referring to Claim 98:

Sloo discloses a system further comprising a software program executing on the server to automatically assemble the case information from records provided by the parties, wherein the software module presents sample resolutions to the parties to aid the parties in resolving the case and presents the case information in a form that identifies areas of agreement between the parties (Fig. 1, col. 10, line 54 thru col. col. 11, line 36 *program may suggest the best behavior to the user to reduce the number of complaints by providing guidelines for appropriate behavior before a dispute arises*).

Referring to Claim 99:

Sloo discloses a system further comprising:

a software program operating the server to assemble the case information from records provided by the parties (col. 1, line 66 thru col. 2, line 6; col. 3, lines 18-29; col. 4, line 59 thru col. 5, line 2); and

a software program operating on the server to assist a dispute resolution specialist in identifying similar cases from a historical database of past cases (col. 8, lines 5-18; col. 9, lines 32-48; col. 12, lines 25-45).

Referring to Claims 110 and 113:

Collins discloses electronically receiving with the online dispute resolution system enrollment requests from the marketplace and automatically initiating enrollment of sellers or buyers in response to the request ([0046-0047].

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Referring to Claims 111 and 115:

Collins discloses a method and system with an online dispute resolution system (Figure 1a ZOPA database (140)) and marketplace ([0039] *customer may have a dispute with a merchant regarding a transaction occurring over the Internet*), the method and system further comprising:

automatically electronically communicating the transaction data between the database on the online dispute resolution system and the electronic marketplace ([0039] and [0042].

while Collins discloses the online dispute resolution system having a database (Figure 1a ZOPA database (140)) neither Collins nor Sloo explicitly disclose a marketplace database.

However, it would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate into the complaint handling systems of Sloo and Collins a marketplace with a database so as to provide the marketplace with maintain transaction data concerning customers and transaction.

NOTE: Appellant is directed a recent CAFC decision, *Collegenet, Inc. v. Applyyourself, Inc.* (CAFC, 04-1202-1222, 1251, 8/2/2005) wherein the court held that “automatically” means “without human interaction, but may be human initiated or interrupted.” Therefore, a process may be automatic even though a human initiates it.

Claim 108 is rejected under 35 U.S.C. 103(a) as being unpatentable over Sloo in view of Slaikeu (US Patent 2001/0007106).

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Referring to Claim 108:

Sloo discloses intervention by pre-qualified persons (judge/jury)(col. 8, lines 5-18)

Sloo does not a method further comprising:

training a dispute resolution specialist by requiring the dispute resolution specialist to experience transactions within online marketplaces including at least an auction site;

outputting simulated online dispute resolution cases to the dispute resolution specialists via the computer network to assess the skill of the dispute resolution specialists; and

assigning online disputes to the dispute resolution specialists only upon completion of the training and successful resolution of the simulated online dispute resolution cases.

However, Slaikeu discloses a method comprising training a dispute resolution specialist (page 3 [0025- 0026]).

Furthermore, the Examiner takes Official Notice that online training is old and well known and has become an established business practice as is exemplified by online CLE classes online graduate classes and testing. Furthermore, providing simulations of situations is also an old and well known way to train.

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Claims 28-31, 114, and 116-117 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sloo and Collins as applied to claim 1 above, and further in view of [www.truste.com](http://www.truste.com) (retrieved from the Internet Archive Wayback Machine) (hereinafter referred to as TRUSTe).

Referring to Claim 28:

Neither Sloo nor Collins disclose the dispute resolution is provided as an insurance covering a transaction.

However, TRUSTe disclose the dispute resolution is provided as an insurance covering a transaction (page 10 the TRUSTe program is backed by a multi-faceted assurance process that establishes Web site credibility, thereby making users more comfortable when making online purchases or providing information; page 19 the Watchdog page to provide you with a convenient mechanism for reporting violations; page 25; page 34 Resolution Process; page 50, Watchdog dispute resolution form – if you have an unresolved dispute with a TRUSTe member).

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the assurance/insurance of TRUSTe with the complaint handling of Sloo and Collins to build users' trust and confidence in transacting over the Internet and to provide a convenient mechanism for reporting violations and resolving disputes.

Referring to Claim 29:

TRUSTe discloses sellers associated with the marketplace being registered subscribers of the system before transactions are insured (*page 14 in*

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*joining the TRUSTe online seal program, you leading the way; the trustmark is awarded only to sites that adhere to our established privacy principles and agree to comply with ongoing TRUSTe oversight and **our resolution process**; page 21 Watchdog (File a Complaint); pages 32 – 34)*

Referring to Claim 30:

TRUSTe discloses communicating membership data from the online dispute resolution to the marketplace (page 32-34 member directory); and automatically showing a visual indicia within the marketplace to indicate the availability of the dispute resolution system and the membership of buyers or sellers in the dispute resolution process (pages 14 TRUSTe “trustmark,” an online branded seal; 19 and 23 Our “Seal of Trust” and Assurance Process; the site agrees to display the trustmark)

Referring to Claim 31:

TRUSTe discloses where the visual indicia is a medallion that is a visible symbol of trust to increase the confidence of the buyers or the sellers in executing transactions within the marketplace (pages 12-14, page 23)

Referring to Claim 114:

TRUSTe discloses a membership database that maintains status data for the parties (page 32 the official TRUSTe member directory)

Referring to Claims 116 and 117:

Collins discloses a system wherein the dispute resolution system and the marketplace are implemented at least in part as software executing on a computer system having data storage devices and wherein the dispute resolution



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system and the marketplace communicate via the computer system ([0039] and [0042]).

#### **(10) Response to Argument**

##### **The first ground of rejection to be reviewed on appeal – the rejection of Claims 111 and 115 under 35 USC 112, 1<sup>st</sup> paragraph**

Applicant's arguments as to this ground of rejection can be found on pages 30 through 33 of the Appeal Brief.

Appellant added claims 111 and 115 in an amendment submitted on April 12, 2004. The Examiner asserts that the subject matter of claims 111 and 115 was not clearly defined in the applicant's original disclosure as filed in such a way as to reasonably convey to one skilled in the relevant art that the inventor, at the time the application was filed, had possession of the claimed invention.

Appellant states on page 30 of the Appeal Brief that with respect to the newly added limitations, i.e., claims not found in the original disclosure, claim limitations can be satisfied by express, implicit or even inherent disclosure. The Examiner agrees with this statement. However, the Examiner disagrees with the assertion that the specification describes the claimed invention in sufficient detail so that one skilled in the art can reasonably conclude that the inventor had possession of the claimed invention. Since the claim limitations are not expressly disclosed, appellant is asking the Examiner to rely on implicit or inherent disclosure to satisfy the written description requirement for what appellant considers to be the novel, and thus patentably distinct, feature of an

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invention. Appellant is arguing that limitations are implicit or inherent in applicant's disclosure but appellant does not give the same implicit or inherent consideration to the prior art.

Claim 111 reads, the method of claim 1,  
wherein the online dispute resolution system and the marketplace have separate databases, and  
automatically electronically communicating the transaction data between the database of the online dispute resolution system and the database of the electronic marketplace.

Claim 115 reads, the system of claim 112,  
wherein the online dispute resolution system and the marketplace have separate databases, and  
wherein the online dispute resolution system comprises a data manager software application to automatically communicate data between the database of the online dispute resolution system and the database of the electronic marketplace.

The appellant asserts that the support for the elements in claims 111 and 115 are found throughout the present application. Appellant states that as a starting point, Figure 1 shows a marketplace 102 separate from dispute resolution system 130. The appellant states that Figure 2B shows an embodiment 150 of the dispute resolution system in which the dispute resolution system integrates with a business partner's system, such as the online marketplace 102.

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The appellant states that support for the limitations can be found on pages 13 and 14 of application's application, wherein appellant recites the following paragraphs:

The server 158 receives data from a set of remote objects that reside in the partner's system 166. The remote objects, which can be enterprise Java Beans, are provided to allow business partners of the system to integrate with the dispute resolution system. Both DCOM objects and Enterprise Java Beans models can be used. These objects provide functionality to receive and send specific information to the dispute resolution system 130. The objects will transparently deal with communication issues including server unavailability and performance. Example functionality includes informing the dispute resolution system 130 of relevant partner transactions and allowing partners to query the dispute resolution system data such as the status of a specific marketplace seller 104.

The server 158 in turn communicates with a structured query language (SQL) server 160. The SQL server 160 also communicates with a data manager 162. **The data manager 162 in turn communicates with one or more partner databases 164.** Partners integrate with the system, by exposing relevant functionality on their respective websites, for example, allowing customers to dispute a transaction. This integration is achieved by a predefined set of URLs that a partner embeds in the partner's HTML application.

The appellant contends that the present application provides adequate support for the claim limitation that *the online dispute resolution system and the marketplace have separate databases*. Appellant states, pages 32 and 33 of the Appeal Brief, that as demonstrated above, Figure 2B and the related disclosure describe online dispute resolution system 150 as having a SQL database 160 and partner systems, **such as market place 102, as having partner databases.**

The Examiner disagrees with this interpretation. It appears that appellant is trying to equate partner databases with the marketplace and thus infer that

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the marketplace has its own database. As shown in Figure 1 and identified by the applicant, the marketplace is separate from the seller and the dispute resolution and the parties. Nowhere in applicant's disclosure does the specification disclose the marketplace as having a separate database.

Appellant specification identifies Figure 1 as (pages 11 and 12 of the specification):

FIG. 1 shows an environment 100 that supports electronic dispute resolution. In this environment, one or more sellers 104 offer their products and/or services to one or more consumers 106 at a marketplace 102. The marketplace 102 can be a physical mall or market or can be a website such as an online centralized trading place. The centralized trading place overcomes the inefficiencies associated with traditional person-to-person trading by facilitating buyers and sellers meeting, listing items for sale, exchanging information, interacting with each other and, ultimately, consummating transactions. Through such a trading place, buyers can access a significantly broader selection of goods to purchase and sellers have the opportunity to sell their goods efficiently to a broader base of buyers.

One exemplary person-to-person trading place on the Internet is eBay, located at [www.eBay.com](http://www.eBay.com). eBay is a Web-based community in which buyers and sellers are brought together in an efficient auction format to buy and sell items such as antiques, coins, collectibles, computers, memorabilia, stamps and toys. The eBay service permits sellers to list items for sale, buyers to bid on items of interest and all users to browse through listed items in a fully-automated, topically-arranged online service that is available 24 hours a day, seven days a week.

The seller 104 may be a manufacturer. The marketplace 102 and the seller 104 can communicate directly with each other, or can communicate over a network 120. The network 120 can be a wide area network such as the Internet. The one or more consumers 106 can communicate with the marketplace 102 and indirectly the seller 104 over the network 120. A multiparty community 110 having a first party 112, a second party 114 and an nth party 116 can communicate with the network 120. Further, the first party 112, second party 114 and nth party 116 can communicate directly with each other.

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Also connected to the network 120 is a dispute resolution system 130, which is detailed below. The dispute resolution system 130 can communicate directly with a network having one or more dispute resolution specialists 140. Alternatively, the dispute resolution specialists 140 can access the dispute resolution system 130 using the network 120.

The dispute resolution specialist can be a person who is trained in the art of conducting dispute resolution, including but not limited to mediation and arbitration. The dispute resolution specialist can also be a person who has had substantial experience mediating or arbitrating a range of disputes. Further, the dispute resolution specialist can be a person who has successfully completed a comprehensive mediation training program, or can be a person who has knowledge of the legal parameters of dispute resolution practices.

Appellant argues that Figure 1 shows a marketplace 102 separate from the dispute resolution system. The Examiner agrees with this assertion. The Examiner agrees that the online marketplace is a website or an online centralized trading place. The appellant states on page 21 of the Appeal Brief that claims 111 and 115 require that the online dispute resolution system and the marketplace have separate databases. Appellant states on page 21 of the Appeal Brief that claim 111 provides further evidence that the proper construction of the term "marketplace" is a system and not an individual since claim 111 requires the marketplace to have a database.

However, the Examiner does not agree that this present application makes clear that the online marketplace is a system that provides a centralized trading place, and is not an individual buyer. Furthermore, the Examiner does not agree that this disclosure provides support for the limitation that the online dispute resolution system and the marketplace having separate databases.

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Appellant argues that Figure 2B shows a "second implementation" 150 of the invention in which the dispute resolution system integrates with a business partner's system, such as the online marketplace 102. The appellant then argues that the totality of the description of Figure 2B makes clear that marketplace 102 of Figure 1 is an example of a partner system referred to in 2B. Appellant states that paragraph 48 expressly refers to partner systems as having "partner databases 164."

The paragraphs that the appellant is referring to are found on pages 13 and 14. To better understand Figure 2B, one would need to read paragraphs in the order which the specification provides.

[0045] Referring now to FIG. 2A, one implementation of the dispute resolution system 130 is shown. In this implementation, the dispute resolution system 130 includes a plurality of redundant, fail-over servers 132-136. The servers 132-136 are connected to the network 120. Moreover, each server 132 or 136 is connected to a data storage system 134 and 138, respectively. To support fail-over, each server 132 or 136 can provide resources independent of the other until one of the servers fails. Each server continuously monitors the other server. When one of the servers fails, the surviving server acquires the shared drives and volumes of the failed server and mounts the volumes contained on the shared drives. Applications that use the shared drives can also be started on the surviving server after the failover. Further, a manual-failover operation can be performed on the shared volumes at any time in order to perform tasks such as scheduled maintenance on one of the servers. As soon as the failed server is booted up and the communication between servers indicates that the server is ready to own its shared drives, the servers automatically start the recovery process.

[0046] Referring now to FIG. 2B, a second implementation 150 of the dispute resolution system is shown. In this implementation, ***a customer (which can be either the seller or the buyer) or a dispute resolution specialist can access data using a web browser on a workstation 152. The data is securely transferred between the workstation 152 to a network 154.*** The network 154 can be the Internet or can be an

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intranet. **A server 156 communicates with the network 154. The server 156 also communicates with a second server 158, which can be an e-commerce server** such as the ColdFusion server, available from Allaire Inc. **The server 158 is used as a Web Application Server to present HTML applications. These applications allow customers to file and manage disputes and dispute resolution specialists to manage cases over the Internet.**

[0047] **The server 158 receives data from a set of remote objects that reside in the partner's system 166. The remote objects, which can be enterprise Java Beans, are provided to allow business partners of the system to integrate with the dispute resolution system. Both DCOM objects and Enterprise Java Beans models can be used. These objects provide functionality to receive and send specific information to the dispute resolution system 130.** The objects will transparently deal with communication issues including server unavailability and performance. **Example functionality includes informing the dispute resolution system 130 of relevant partner transactions and allowing partners to query the dispute resolution system data such as the status of a specific marketplace seller 104.**

[0048] **The server 158 in turn communicates with a structured query language (SQL) server 160. The SQL server 160 also communicates with a data manager 162. The data manager 162 in turn communicates with one or more partner databases 164. Partners integrate with the system, by exposing relevant functionality on their respective websites, for example, allowing customers to dispute a transaction. This integration is achieved by a predefined set of URLs that a partner embeds in the partner's HTML application.**

[0049] Referring now to FIG. 3, a process 230 that provides a forum for rating buyers and sellers is shown. First, either a party such as a buyer or a seller can access the dispute resolution system (step 232). Next, the party can enter a password to access the system (step 234). If the password is correct, the process 230 allows the party to access information relating to the "performance" of another party (step 236). The process 230 then checks whether the party is finished with the checking process (step 238). If not, the process 230 loops back to step 236 to allow the party to continue looking up the performance of other parties. Alternatively, the process 230 exits.

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From these excerpts the appellant then states that this clearly established that the inventors were in possession of the concept that ***the online marketplace 102 Figure 1 has a separate database and electronically communicating the transaction data between the database of the online dispute resolution system and the database of the electronic marketplace.***

The appellant states that claim 111 specifically requires that the database of the marketplace and the database of the online dispute resolution system electronically communicate transaction data. Claim 115 is directed to the limitation of ***wherein the online dispute resolution system comprises a data manager software application to automatically communicate data between the database of the online dispute resolution system and the database of the electronic marketplace.***

The Examiner asserts that appellant does not provide support for the two separate databases as appellant now is claiming. Appellant states on page 21 of the Appeal Brief that the claims further comprise electronically communicating the transaction data between the database of the online dispute resolution system and database of the electronic marketplace. Appellant states that claim 111 specifically requires that the database of the marketplace and the database of the online dispute resolution electronically communicate transaction data.

Appellant further states that the present application provides adequate support for the limitation of a data manager software application to automatically



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electronically communicate the transaction data between the database of the online dispute resolution system and the database of the electronic marketplace. Appellant states that data manager 162 is described with respect to Figure 2B as communicating with one or more of the partner databases 164. Moreover, appellant asserts that the present application makes clear that remote objects executing within the partner system and data manager 162 of online dispute resolution system 160 allow integration in a manner that "transparently deals with communication issues" between the partner system and the online dispute system. Therefore, appellant asserts that according to the present application, the remote objects within the partner system and the data manager 162 of the online dispute transparently deal with communication of data between the partner database 164 and database server 160 of the online dispute resolution system. Appellant further asserts that the present application states that server 158 of the online dispute resolution system 150 "receives data" from the remote objects executing with the partner system. Appellant states that one specific example of data sharing provided by the present application is the "functionality of informing the dispute resolution system 130 of relevant partner transactions."

Appellant states that based on at least this disclosure, one skilled in the art would reasonably conclude that the appellant was in possession of the claimed subject matter of automatically electronically communicating the transaction data between the database of the online dispute resolution system and the database of the electronic marketplace.

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One can better understand the applicant's interpretation of claim 111 in applicant's arguments as to the prior art on pages 21-24 of the Appeal Brief. The appellant is interpreting the term "automatically" to mean that the transaction data is communicated between the two databases without human intervention. The Examiner asserts that applicant's disclosure does not provide for such communication without human intervention. Thus, the Examiner asserts that appellant is now directing applicant's claimed invention to a marketplace database and a dispute resolution database wherein communication occurs between the two databases without human intervention. The Examiner asserts that the subject matter in claims 111 and 115 were not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor, at the time the application was filed, had possession of the claimed invention.

**The second Ground of Rejection to be Reviewed on Appeal is the rejection of claims 1-17, 20-22, 25-27, 64-73, 93-99, 100,109, 110-113, and 115 under 35 USC 103(a) as being unpatentable over Sloo in view of Collins**

The Examiner notes that the appellant provides applicant's interpretation as to what each prior art reference discloses or teaches on pages 9 through page 12. Appellant does not start to address the prior art rejection of the claims until page 12, the fourth paragraph.

**NOTE:** As for the Collins reference, the appellant points out that Figure 1B of the Collins reference and related disclosure [0045] do not qualify as prior art with respect to the present application. Appellant states that the present

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application is a continuation of and claims priority to serial number 09/504/149, filed February 15, 2000. (The Examiner notes that this is application number 09/504/149). Collins was filed April 38, 2000, but claims priority to three US provisional applications filed prior to the priority date of the present application.

The Examiner asserts that Collins is a proper reference. Appellant is correct in stating that MPEP 2136.03 states that the 35 U.S.C. 102(e) critical reference date of a U.S. patent or U.S. application publications entitled to the benefit of the filing date of a provisional application under 35 U.S.C. 119(e) is the filing date of the provisional application if the provisional applications properly supports the subject matter relied upon to make the rejection in compliance with 35 U.S.C. 112, first paragraph. Appellant argues that the specific features of Figure 1B and the related description in paragraph [0045] are not taught or suggested by the priority documents.

Claims 11 and 115 are claims that were first entered on the record in the amendment submitted on April 12, 2004.

The rebuttal to applicant's argument involve the rejection of claims 111 and 115 under 35 USC 112, first paragraph. The Examiner asserts that claims 111 and 115 contain new matter which does not get the benefit of applicant's February 15, 2006 filing date. Furthermore, the Examiner asserts that Figure 1B and paragraph [0045] have not been used to reject the applicant's claims.

**Independent claim 1:**

Appellant's argues that Sloo fails to teach or suggest the claimed invention of claim 1. (Appellant's brief page 12).

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The Examiner respectfully disagrees.

Sloo discloses a method and a system for resolving a commerce dispute involving one or more parties (a *complaint handling apparatus (Figure 1)*) for resolving *complaints related to goods, class of goods, services, and/or venders, the subjects of the complaints may be manufacturers, distributors, wholesalers, retailers or any other responsible persons or entities* (col. 3, lines 1-8) *with a plurality of access terminals* (col. 3, lines 8-11), comprising:

electronically providing access to an online dispute resolution system to allow at least one of the parties to initiate a filing of the dispute from a marketplace (Figs. 1-6, col. 2, line 53 thru col. 3, line 7 - *the complaint handling apparatus 10 broadly includes a central computer 12 and a plurality of access terminals coupled with the central computer by a communication network 16;* (col. 3, lines 8-39) (electronically providing access to an online dispute system); *the access terminals receive complaints and responses from the users* (col. 3, lines 18-20) (to allow one of the parties to initiate a filing of a dispute); *the users of the apparatus who file complaints may include individuals, businesses, organizations or other entities and the complaints may relate to goods, classes of goods, services, and/or vendors, individuals, organizations or any object, the subject of the complaint may be individuals, manufacturers, distributors, wholesalers, retailers* (col. 3, lines 1-8) (wherein the dispute may be filed from a marketplace) (*retailer, wholesaler, complaints relating goods and services;* col. 17, line 66 thru col. 18, line 16 *consumer complaint module*);

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electronically receiving with the online dispute resolution system transaction data from the marketplace, wherein the transaction data describes transactions within the marketplace (the Examiner interprets "electronically receiving data" to include data entered manually and transmitted through a communication network - Figs. 3-9; col. 2, lines 7-20 - *receiving complaints and responses over the communication network* (col. 3, lines 18-20) (electronically receiving with the online dispute resolution system transaction data (*responses*), *the users of the apparatus who file complaints may include individuals, businesses, organizations or other entities and the complaints may relate to goods, classes of goods, services, and/or vendors, individuals, organizations or any object, the subject of the complaint may be individuals, manufacturers, distributors, wholesalers, retailers* (from a marketplace) wherein *the apparatus receives complaints, notifies the subject of the complaints, receives responses from the subject* (transaction data from the marketplace), *stores the complaints and associated responses in individual data records* (col. 2, lines 56-59); see also, col. 2, lines 56-59; see Figure (500) and discussion as to Figure 5 (column 5, line 66 through column 6, line 14 and col. 6, lines 55-60) – *this portion of the program permits a subject to respond to a complaint issued against it. The subject may respond to the complaint by entering information in one of the access terminals and e-mailing or transmitting the information to the central computer by way of the communication network* (*responses to the complaints are received* – see Figure 5 (500). (The Examiner is interpreting a response to a complaint from a retailer via the complaint handling apparatus as transaction

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data being received from the marketplace. Electronically receiving transaction data would include data entered manually into a computer and would include any communication over the network);

receiving from at least one of the parties information (*complaint*) related to the dispute (col. 2, lines 53-65; col. 3, lines 19-29 *the access terminals 14 receive complaints and responses from the user, deliver them to the central computer 12* (column 2, lines 56-57, column 3, lines 19-29); and

executing software with the online dispute resolution system (artificial intelligence (e.g. neural network linking)) to apply an online dispute resolution process that utilizes at least a portion of the transaction data and the information to assist the parties in resolving the dispute (col. 3, lines 8-67 - *each access terminal includes conventional memory and software for communicating with and interpreting the data sent from the central computer* (col. 3, lines 8-67); col. 1, line 66 thru col. 2, line 6 *the central computer is programmed to receive complaints and responses, store the complaints and responses in individual data records, and negotiate settlements to the complaints*; col. 2, lines 12-20 and Figure 9 - *the central computer is programmed to monitor and rate the conduct and performance of both the complainants and the subjects; the ratings can be used to affect the outcome of the disputes and hold the parties accountable for their conduct*; col. 9, line 40 through col. 10, line 39 *when the program uses artificial intelligent techniques to make a decision regarding a dispute, it considers the performance records of all participants to the dispute when rendering a judgment; the program evaluates all of the gathered information to*

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*arrive at a judgment; the program may compare the characteristics from the current data record with the characteristics from the data records for the previously resolved complaints to arrive at an appropriate judgment; col. 10, lines 58-61 by monitoring participant behavior in certain situations and outcomes over time the program may compare the current situation with other similar situations having known outcomes and predict the outcome for the present situation based on known outcomes. Artificial intelligence techniques may be used to predict an outcome based on what it has learned about behavior, situations and their outcomes. Thus, the program may suggest the best behavior to a user).*

Appellant argues that Sloo fails to teach or suggest (1) *initiating a filing of the dispute from an online marketplace*, (2) *electronically receiving with the online dispute resolution system with the online dispute resolution system transaction data from the marketplace*, (3) *at least a portion of the transaction data from the marketplace* (pages 12 and 13 of the Appeal Brief).

The Examiner respectfully disagrees with this assertion.

First, Sloo discloses initiating a filing of the dispute from an online marketplace. Sloo discloses an complaint handling apparatus (10) (col. 2, line 53) constructed with access terminals 14 for receiving complaints and responses from users (col. 3, lines 18-19) over a communication network (16) (col. 3, line 31) wherein the users can be retailers, manufacturers, distributors, wholesalers (col. 2, line 66 through col. 3, line 7).

Secondly, the broadest reasonably interpretation of the applicant's claim limitation could lead one to interpret the claim limitation to be allowing at least

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one of the parties to initiate a filing of a dispute, wherein the subject matter of the dispute is a dispute arising from an online marketplace, especially in light of the preamble. Appellant is claiming a method for resolving an electronic commerce dispute involving one or more parties. A broad, but reasonable, reading of the preamble would mean that applicant's invention is directed to a method for resolving a brick and mortar transaction dispute, wherein the dispute relates to the credit card transaction which occurred electronically. Applicant's claim limitation can be interpreted as allowing a dispute to be initiated by providing access to any dispute resolution system. The party could have a dispute involving an electronic commerce transaction arising from an online marketplace.

Third, a careful reading of applicant's specification to identify how the appellant defines a marketplace would not lead one to define the term as the appellant is now attempting to define the term. On page 6 of the specification the appellant discloses:

In a second aspect, a system for resolving online disputes includes a network; ***an electronic marketplace coupled to the network; one or more sellers selling one or more items at the marketplace; one or more buyers consuming one or more items at the marketplace; and a dispute resolution system coupled to the network to resolve a dispute between one or more buyer and seller parties, the dispute resolution system adapted to select one of two modes*** of resolving the dispute, the first mode being completely driven by an electronic agent and the second mode involving a dispute resolution specialist.

Fourth, Sloo discloses electronically receiving with the online dispute resolution system transaction data from the marketplace (retailer, wholesaler, complaints relating goods and services) (responses to the complaints are received – see Figure 5 (500). If a retailer responds to a complaint via the



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complaint handling apparatus, transaction data is being received from the market place. Electronically receiving transaction data would include data entered manually into a computer and would include any communication over the network.

Fifth, Sloo discloses a process that utilizes at least a portion of the transaction data from the market place. The complaint handling apparatus of Sloo may draw from available data (this includes complaints and responses) and inform the Appellant about what action to take (col. 3, lines 18-29, col. 14, lines 2-16), thus using a portion of the retailers marketplace transaction data to make this determination

As for the Appellant's contention that Sloo fails to show certain features of the Appellant's invention (page 13 of the Appellant's appeal brief), it is noted that the features upon which Appellant relies (i.e., an online dispute system *integrated with a partner system*, wherein the partner system is an online marketplace; the partner system may automatically *share* specific information of relevant partner transactions, an *electronic integration of an online marketplace with a dispute resolution system*) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Moreover, the Examiner asserts that the applicant's claims are rejected as being unpatentable over Sloo in view of Collins. Although Sloo discloses that the complaints may relate to goods, classes of goods, services, and/or the vendors

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(col. 3, lines 2-7) and transaction data (col. 9, lines 57-63), Sloo does not specifically disclose that the marketplace is an electronic marketplace or that the process utilizes at least a portion of the transaction data from the electronic marketplace in resolving the dispute.

However, Collins specifically discloses an electronic marketplace ([0039] *a customer may have a dispute with a merchant. The dispute may arise in connection with a transaction occurring over the Internet*) and that the process utilizes at least a portion of the transaction data from the marketplace in resolving the dispute ([0042] *each party sends position data over the network to central server 120; the relational database associates the data from each party to components in the database to form the ZOPA (zone of possible agreement) template*).

The appellant states that in an Office action, the Examiner recognizes that the Sloo system is a stand-alone, computer-based complaint handling system that is not accessible by any other system, that the Examiner recognizes that the Sloo system does not allow disputes to be initiated by any other system and that the system requires individual users to directly access the Sloo system and manually provide all information related to a dispute and that the Examiner recognizes that Sloo does not describe resolution of network-based transactions (page 13 of the Appeal Brief). The Examiner is not sure where in the Office action that the Examiner made these alleged statements. Furthermore, the Sloo system is accessible over a network, therefore, it is accessible by another system.. Secondly, the Examiner asserts that applicant's invention also provides

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for the manually entry of information relating to the dispute on page 11 of the specification wherein the appellant discloses:

The seller 104 may be a manufacturer. The marketplace 102 and the seller 104 can communicate directly with each other, or can communicate over a network 120. The network 120 can be a wide area network such as the Internet. The one or more consumers 106 can communicate with the marketplace 102 and indirectly the seller 104 over the network 120. A multiparty community 110 having a first party 112, a second party 114 and an nth party 116 can communicate with the network 120. Further, the first party 112, second party 114 and nth party 116 can communicate directly with each other.

Also connected to the network 120 is a dispute resolution system 130, which is detailed below. The dispute resolution system 130 can communicate directly with a network having one or more dispute resolution specialists 140. Alternatively, the dispute resolution specialists 140 can access the dispute resolution system 130 using the network 120.

Third, the Examiner asserts that a dispute involving any transaction over a computer network would be a network-based transaction.

Moreover, the limitation of electronically receiving with the online dispute resolution system transaction data from the marketplace only require that the data be transmitted electronically. It does not preclude the manual entry of data.

The appellant asserts on page 14 of the appeal brief that the Examiner rejects applicant's claim based on the erroneous reasoning that claim 1 covers individuals or entities separately and manually accessing the Sloo complaint handling system involving disputes that may have at some time been previously involved in a form of commerce on the Internet. The appellant states that the Examiner argues that because an individual may have at some point previously bought or soled goods in commerce, then the stand alone Sloo system teaches

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the elements of claim 1. The Examiner asserts that this is, in fact, the Examiner's position.

Again on page 14, appellant argues that Collins makes clear that the parties manually enter all data describing the situation. The Examiner asserts, once again, that applicant's claim language does not exclude the manual entry of data. The term "electronically receiving" only require that the data be transmitted electronically to the online dispute resolution system.

The appellant states that the one issue for review with respect to claim 1 is whether the Examiner's construction of claim 1 and conclusions of obviousness are correct in view of the intrinsic evidence, including the specification and the plain language of claim 1 and other claims. In summary, the appellant states that the Examiner has construed claim 1 to cover the following:

- 1). a retailer or other party conducting transactions over the Internet,
- 2). that same party directly accessing the Sloo system at some later point in time to initiate a dispute, and
- 3). that same party manually interacts with the Sloo system to enter all dispute information.

Appellant argues that claims are generally given their ordinary meaning and that the Court has made clear that the ordinary meaning of a term is the meaning to one of ordinary skill in the art not only in the context of the particular claim but in the context of the entire patent, including the specification. The Examiner agrees with appellant as to giving claims their ordinary meaning.

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The appellant states that the plain language of claim 1 in view of the intrinsic evidence and the language of other claims requires a different construction of the term "online marketplace" than the Examiner's construction. The appellant states that the present application describes "an online marketplace" as "a website or an online centralized trading place. The appellant states the present application gives a specific example of an online marketplace as eBay, which is a well-known centralized trading place. The Appellant states that the present application makes clear that the online marketplace is a system that provides a centralized trading place, and not an individual buyer or seller.

The Examiner disagrees with this assertion and again directs the appellant to pages 11 and 12 of the specification wherein application discloses:

FIG. 1 shows an environment 100 that supports electronic dispute resolution. In this environment, one or more sellers 104 offer their products and/or services to one or more consumers 106 at a marketplace 102. The marketplace 106 can be a physical mall or market or can be a website such as an online centralized trading place. The centralized trading place overcomes the inefficiencies associated with traditional person-to-person trading by facilitating buyers and sellers meeting, listing items for sale, exchanging information, interacting with each other and, ultimately, consummating transactions. Through such a trading place, buyers can access a significantly broader selection of goods to purchase and sellers have the opportunity to sell their goods efficiently to a broader base of buyers.

One exemplary person-to-person trading place on the Internet is eBay, located at [www.eBay.com](http://www.eBay.com). eBay is a Web-based community in which buyers and sellers are brought together in an efficient auction format to buy and sell items such as antiques, coins, collectibles, computers, memorabilia, stamps and toys. The eBay service permits sellers to list items for sale, buyers to bid on items of interest and all users to browse through listed items in a fully-automated, topically-arranged online service that is available 24 hours a day, seven days a week.

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The seller 104 may be a manufacturer. The marketplace 102 and the seller 104 can communicate directly with each other, or can communicate over a network 120. The network 120 can be a wide area network such as the Internet. The one or more consumers 106 can communicate with the marketplace 102 and indirectly the seller 104 over the network 120. A multiparty community 110 having a first party 112, a second party 114 and an nth party 116 can communicate with the network 120. Further, the first party 112, second party 114 and nth party 116 can communicate directly with each other.

The appellant provides the trading place on the Internet as an example of a person-to-person trading place. The appellant also discloses that the marketplace can be a physical mall or market or a website such as an online centralized trading place. However, the wording "such as" does not mean that the term excludes other websites. The Examiner asserts that any retail website would be included in the terminology "online marketplace" as defined in the applicant's specification. If the appellant wants a narrower definition of the terminology marketplace, the appellant should put the limitations in the claim language. MPEP requires the Examiner to give claim language the broadest reasonable interpretation in light of the specification without reading limitations from the specification into the claim language. Thus, for the Examiner to interpret an "electronic marketplace" to be a website that is a centralized trading place, the Examiner would have to read limitations into the claim language. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which appellant relies (i.e., a website that provides a centralized trading place for buyers and sellers) are not recited in the rejected claim(s). Although the claims are interpreted in

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light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The appellant states that the plain language of claim 1 uses the term that the "online marketplace" separately from the term "parties." Appellant states that if the appellant meant the term "online marketplace" to mean individual buyers or sellers that had at some time been involved in commerce, i.e., a party, then appellant would have used different terms.

Once again the Examiner directs the appellant to pages 11 and 12 of the specification, wherein the appellant discloses:

FIG. 1 shows an environment 100 that supports electronic dispute resolution. In this environment, one or more sellers 104 offer their products and/or services to one or more consumers 106 at a marketplace 102. The marketplace 102 can be a physical mall or market or can be a website such as an online centralized trading place. The centralized trading place overcomes the inefficiencies associated with traditional person-to-person trading by facilitating buyers and sellers meeting, listing items for sale, exchanging information, interacting with each other and, ultimately, consummating transactions. Through such a trading place, buyers can access a significantly broader selection of goods to purchase and sellers have the opportunity to sell their goods efficiently to a broader base of buyers.

The seller 104 may be a manufacturer. The marketplace 102 and the seller 104 can communicate directly with each other, or can communicate over a network 120. The network 120 can be a wide area network such as the Internet. The one or more consumers 106 can communicate with the marketplace 102 and indirectly the seller 104 over the network 120. A multiparty community 110 having a first party 112, a second party 114 and an nth party 116 can communicate with the network 120. Further, the first party 112, second party 114 and nth party 116 can communicate directly with each other.

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Until the appellant claims the "online marketplace" in a manner to exclude individual buyers and sellers, then the Examiner is giving the terminology the broadest reasonable interpretation in light of the specification. The appellant clearly states that the marketplace can be a physical mall or market or can be a website ***such as*** an online centralized trading place. This language does not exclude an "electronic marketplace" from being a seller with a website in which the consumer can buy goods, such as LL Bean or Sears or Lands' End.

Appellant asserts that because of the language in claim 1 which requires electronically *providing access to an online dispute resolution system to initiate a filing of the dispute from an online marketplace*, that the term "from" is consistent with the construction that the online marketplace is an electronic system that provides a trading place and not an individual that conducts commerce, as interpreted by the Examiner. The Examiner asserts that one can read the claim language the way the appellant has. However, the Examiner also asserts that the claim language is written in a manner to allow for other interpretations which are consistent with the applicants disclosure. As stated above, the limitation can be read to mean providing access to any online dispute resolution system for the purpose of allowing one of the parties to initiate a filing of an electronic commerce dispute, i.e., a credit card dispute, which occurred in a transaction involving an online marketplace, i.e., LL Bean.

Appellant then argues that dependent claim 111 requires that the online marketplace and the dispute resolution system have separate database and in view of the plain language of claim 1, the plain language of dependent claims



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and the intrinsic evidence, proper construction of the term "online marketplace" is a system that provides a centralized trading place for buyers and sellers. The Examiner disagrees with this assertion for the reasons set forth above.

Furthermore, the fact that the marketplace and the dispute resolution system have separate databases, as asserted by the applicant, would not change the Examiner's interpretation of claim 1. As stated above, the limitation can be read to mean providing access to any online dispute resolution system with a database for the purpose of allowing one of the parties to initiate a filing of an electronic commerce dispute, i.e., a credit card dispute, which occurred in a transaction involving an online marketplace with a database, i.e., LL Bean.

Appellant contends that with respect to independent claim 112, Sloo fails to teach or suggest an online dispute resolution system that electronically receives transaction data from a marketplace.

The appellant argues that contrary to the Examiner's assertion, an individual or entity that may have been previously involved in some form of commerce and later submitting a complaint to the standalone Sloo or Collins complaint handling system fails to teach or suggest that transaction data is actually electronically communicated from the online marketplace itself to the online dispute system (electronically receiving with the online dispute resolution system transaction data from the marketplace, wherein the transaction data describes transactions within the marketplace). The appellant states that the Examiner expressly argues that the claim elements of electronically receiving transaction data from an online marketplace cover individuals previously involved

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in commerce and later manually entering data directly into the Sloo complaint system. The appellant asserts that the Examiners construction of claim 1 is incorrect and thus the Examiner's conclusion of obviousness based on that construction is erroneous. Appellant asserts that the proper construction of the term "online marketplace" is a system that provides a centralized trading place and claim 1 require providing accesses to an online dispute resolution system so that disputes can be initiated form an online marketplace itself and that transaction data is provided from the online marketplace to the online dispute system. The appellant asserts that at the end of claim 1, the Examiner correctly recognizes that Sloo fails to describe an "electronic" marketplace or that the Sloo system utilizes a portion of the transaction data from an electronic marketplace. Appellant states that the Examiner makes a passing reference to Collins stating Collins teaches a dispute resolution system and that one party "may be a merchant" and the transaction "may arise in connection with a transaction that occurred over the Internet." Appellant states that, with respect to Collins, the Examiner continues to misconstrue applicant's claim language.

Appellant admits that Collins makes clear that the parties manually enter all data describing a "situation." The Examiner asserts that manually entering transaction data describing a transaction between a merchant, LL Bean, and a consumer that takes place over the Internet and sending it to a dispute resolution system (complaint handling system) is, in fact, electronically receiving with the online dispute resolution system transaction data from the marketplace, i.e., LL Bean, wherein the transaction data describes a transaction within the

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marketplace as defined by appellant. Appellant states on page 11 of the specification that *marketplace 106* can be a physical mall or marketplace or a website such as an online centralized trading. Electronically receiving data would include data entered manually and transmitted through a communication network.

**Independent claim 112**

Claim 112 is a system claim.

Claim 112 is directed to a system comprising,

an online dispute resolution system that electronically receives transaction data from a marketplace that provides a web-based community having buyers and sellers of goods and services, the transaction data describing transactions within the electronic marketplace,

wherein the dispute resolution system executes software that utilized the transaction data and applies a dispute resolution process to assist the buyers or sellers in resolving disputes relating to the transactions, and

wherein the online dispute resolution system electronically provides status data to the marketplace based on participation of the buyers or sellers within the online dispute resolution process.

Appellant states that claim 112 is directed to an online dispute resolution system that electronically receives transaction data form a marketplace that provides a web-bases community having buyers and sellers of goods and services. Appellant states that like claim 1, claim 112 uses the term "marketplace" separately from the terms "buyers" and "sellers." Appellant states

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that, moreover, the language of claim 112 expressly requires that the “marketplace” provide a “web-based” community having buyers and sellers of goods and services. Thus, the appellant asserts that, in view of the plain language of claim 112 and the intrinsic evidence discussed above, proper construction of claim 112 requires that the marketplace is an online system that provides a web-based community for buyers and sellers.

Appellant is erroneously trying to define the system by what it does rather than the specific structure. The entire claim 112, other than the online dispute resolution system, is directed to what the system does rather than the structure of the system.

The structure of claim 112 is directed to a system, the system comprising an online dispute resolution system that electronically receives data from a web-based marketplace, wherein the dispute resolution system executes software that utilizes transaction data and applies a dispute resolution process to assist users; wherein the system provides data on the status of users of the system.

The Examiner rejected claim 112 as being unpatentable over Sloo in view of Collins. The Examiner’s rejection is set forth below:

Referring to Claim 112:

Sloo discloses a system that electronically receives transaction data from a marketplace (Figs. 3-9; col. 2, lines 7-20 - *receiving complaints and responses over the communication network* (col. 3, lines 18-20) (electronically receiving with the online dispute resolution system transaction data (*responses*), *the users of the apparatus who file complaints may include individuals, businesses,*

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*organizations or other entities and the complaints may relate to goods, classes of goods, services, and/or vendors, individuals, organizations or any object, the subject of the complaint may be individuals, manufacturers, distributors, wholesalers, retailers (from a marketplace) wherein the apparatus receives complaints, notifies the subject of the complaints, receives responses from the subject (transaction data from the marketplace), stores the complaints and associated responses in individual data records (col. 2, lines 56-59); see also, col. 2, lines 56-59; see Figure (500) and discussion as to Figure 5 (column 5, line 66 through column 6, line 14 and col. 6, lines 55-60) – this portion of the program permits a subject to respond to a complaint issued against it. The subject may respond to the complaint by entering information in one of the access terminals and e-mailing or transmitting the information to the central computer by way of the communication network) (responses to the complaints are received – see Figure 5 (500). ( the Examiner is interpreting that a response to a complaint from a retailer via the complaint handling apparatus as transaction data being received from the market place. Electronically receiving transaction data would include data entered manually into a computer and would include any communication over the network);*

*wherein the system executes software that utilizes the transaction data and applies a dispute resolution process (col. 3, lines 8-67 - each access terminal includes conventional memory and software for communicating with and interpreting the data sent from the central computer (col. 3, lines 8-67); col. 1, line 66 thru col. 2, line 6 the central computer is programmed to receive*

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*complaints and responses, store the complaints and responses in individual data records, and negotiate settlements to the complaints; col. 2, lines 12-20 and Figure 9 - the central computer is programmed to monitor and rate the conduct and performance of both the complainants and the subjects; the ratings can be used to affect the outcome of the disputes and hold the parties accountable for their conduct; col. 9, line 40 through col. 10, line 39 when the program uses artificial intelligent techniques to make a decision regarding a dispute, it considers the performance records of all participants to the dispute when rendering a judgment; the program evaluates all of the gathered information to arrive at a judgment; the program may compare the characteristics from the current data record with the characteristics from the data records for the previously resolved complaints to arrive at an appropriate judgment; col. 10, lines 58-61 by monitoring participant behavior in certain situations and outcomes over time the program may compare the current situation with other similar situations having known outcomes and predict the outcome for the present situation based on known outcomes. Artificial intelligence techniques may be used to predict an outcome based on what it has learned about behavior, situations and their outcomes. Thus, the program may suggest the best behavior to a user)*

*wherein the system electronically provides status data based on the participation of the parties (col. 2, lines 7-12 the central computer is programmed to provide public access to the data records to permit viewing of the corresponding complaints, responses, and settlements for allowing other users to gauge the conduct of the subject; col. 6, lines 24-32 the monitoring information is*

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*stored in the subject's performance record and used to rate the subject's conduct; Figure 9 Monitor Compliance (900); update performance records (908); col. 11, line 44 thru col. 12, line 14).*

The Examiner asserts that although Sloo discloses that the complaints may relate to goods, classes of goods, services, and/or the vendors (col. 3, lines 2-7) and transaction data (col. 9, lines 57-63), Sloo does not specifically disclose that the marketplace is an electronic marketplace or that the process utilizes at least a portion of the transaction data from the marketplace in resolving the dispute.

However, Collins specifically discloses an electronic marketplace ([0039] *a customer may have a dispute with a merchant. The dispute may arise in connection with a transaction occurring over the Internet*) and that the process utilizes at least a portion of the transaction data from the marketplace in resolving the dispute ([0042] *each party sends position data over the network to central server 120; the relational database associates the data from each party to components in the database to form the ZOPA template*).

The Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the electronic marketplace and marketplace data with the complaint handling method and system of Sloo so as to facilitate agreements in disputes involving transactions occurring over the Internet between a merchant and a consumer.

The language defining the marketplace as a web-based community having buyers and sellers of goods and services is an attempt to define a system by a

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characteristic rather than by its specific structure. Collins identifies a system for facilitating agreement between a customer and a merchant wherein the transaction may have occurred over the Internet ([0039]). Therefore, the Examiner has reason to believe that the systems of Collins and Sloo would be capable of resolving disputes over a marketplace defined as a web-based community having buyers and sellers of goods and services.

Furthermore, the type of data being transmitted in the system is considered to be non-functional descriptive data not interrelated with the useful structure of the system and thus will not serve as a limitation. This descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, sees *In re Gulack*, 703 F. 2d. 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F. 3d 1579, 32 USPQ 2d 1031 (Fed. Cir. 1994).

Moreover, the recited statement of intended use of the system, to assist the buyers or sellers in resolving disputes relating to the transactions, does not patentably distinguish the claimed invention.

The appellant states that the Examiner construes applicant's claim element of "an online dispute resolution system that electronically receives transaction data from a marketplace that provides a web-based community having buyers and sellers of goods and services" to include any individual or entity that may have at some time been previously involved in a form of commerce on the Internet. The appellant states that the Examiner argues that the requirements of applicant's claim 112 are obvious because Sloo in view of Collins teaches a retailer conducting a transaction over the Internet and



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subsequently manually accessing the standalone Sloo complaint handling system and filing a dispute.

The appellant further states that the Examiner similarly construes the requirement of claim 112 that the online dispute resolution system electronically provide status data to the marketplace to encompass a retailer accessing the Sloo dispute resolution system and merely viewing complaints and responses. The appellant states that it is evident that the Examiner is construing the language of "a marketplace that provides a web-based community having buyers and sellers of goods" as a retailer that at some point conducted commerce over the Internet. Appellant asserts that appellant strongly disagrees with the Examiner's construction of claim 112 and conclusions with respect to Sloo and Collins for reasons set forth above with respect to claim 1.

Appellant then states that claim 112 expressly requires that the marketplace provide a web-based community. Further, appellant states that claim 112 requires that the online dispute resolution system electronically provide status data back to the marketplace based on participation of the buyers or sellers with in the online dispute resolution process. Appellant states that as described in the present application on pages 13 and 14, software objects executing in a partner system provide integrated functionality to receive and send specific information to the dispute resolution system. The partner system can query the dispute resolution system data to receive status of a particular marketplace seller. Based on the status, the partner system can provide visual

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indicia that a seller in a transaction has membership in the dispute resolution system.

First, the Examiner notes that the applicant's invention in claim 112 is directed to a system. The only structure in the application system is the on line dispute resolution system. The rest of claim 112 is directed to the method of using the system. Appellant clearly is trying to define the system by the steps performed by the system or the method of use of the system. In a system claim, method steps are not a proper way of defining the system. Furthermore, they make one wonder what appellant is really trying to claim in claim 112, a system or a method. Furthermore, the appellant fails to explicitly define the term "marketplace" in the specification as appellant is now arguing the meaning of the term. It appears that appellant trying to redefine the term marketplace in the middle of prosecution without putting any limitation in the claim language that would force one to have to take such a narrow interpretation. Even in claim 112, the appellant has the online dispute resolution system electronically receiving transaction data from a marketplace. The Examiner notes that in a system claim, any online dispute resolution system that receives data over a network is electronically receiving data and is fully capable of receiving any electronic data. Furthermore, as written in claim 112, the marketplace can be a physical facility that provides a web-based community having buyers and sellers of goods. An interpretation of the facility sending transaction data over a network to a dispute resolution system, the data involving a transaction with the electronic

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marketplace, would be reasonable and commensurate with the applicant's definition of a marketplace as defined in applicant's specification.

As for the limitation of the wherein the online dispute resolution system provides status data to the marketplace based on participation of the buyers or sellers within the online dispute resolution process, the broadest reasonable interpretation of this limitation would be a user of the online dispute resolution system transmitting data to the marketplace facility stating that the parties had begun negotiation, thus the status of the participation of the buyers and sellers.

Sloo clearly discloses an online dispute resolution system (*complaint handling apparatus* 10, col. 2, lines 53-56) that electronically receives transaction data (access terminals 14 *receive complaints and response from the users and receive transmissions from the central computer*, col. 3, lines 18-20), the system executing software (*software for communicating with and interpreting the data*, col. 3, lines 24-27; *the apparatus is capable of drawing from available data and informing the participant about what action to take*) that utilizes the transaction data to assist in the resolution of the dispute, and a system which provides status data (*the central computer is programmed to monitor and rate the conduct and performance and provide access to data records*, col. 2, lines 7-20)

Appellant states that Examiner has erroneously concluded that the requirements of claim 112 that the online dispute resolution system electronically provide status data to the marketplace is obvious over Sloo in view of Collins based on the Examiner's reasoning that Sloo describes a retailer manually accessing the Sloo dispute resolution system and viewing complaints and

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responses. The Examiner asserts that providing any data as to the position or point of progress of parties in an online dispute over a network to a marketplace facility would be providing status data to the marketplace.

**Dependent Claims 111 and 115:**

The Examiner asserts that appellant does not have support for claims 111 and 115 in the original disclosure as set forth in the rejection under 35 USC 112, 1<sup>st</sup> paragraph above.

Appellant states that claim 111 requires that the online dispute resolution system and the marketplace have separate database and the claim further comprises automatically electronically communicating the transaction data between the database of the online dispute resolution system and the database of the database of the electronic marketplace. Appellant states that claim 111 provides further evidence that the proper construction of the term "marketplace" is a system and not an individual since claim 111 requires that the marketplace have a database. Moreover, appellant asserts that claim 111 specifically requires that the database of the marketplace and the database of the online dispute resolution system electronically communicate transaction data.

Appellant states that claim 115 requires that the online dispute resolution system and the marketplace have separate databases and that the online dispute resolution system includes a data manager software application to automatically communicate data between the databases of the online dispute resolution system and the database of the electronic marketplace.

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Appellant argues that these requirements can be mapped to Figures 1 and 2B. Appellant states that with respect to Figure 2B, the present application states that the online dispute system 130 communicates with partner databases 164 and that partner data for relevant transaction in dispute can be electronically communicated from marketplace 102 to dispute resolution system 130 by way of remote software objects executing with the marketplace and the data manager 162 executing within the online dispute resolution system 102.

The Examiner asserts that applicant's specification does not disclose this teaching. Figure 2B is disclosed in the applicant's specification as follows:

Referring now to FIG. 2B, a second implementation 150 of the dispute resolution system is shown. In this implementation, ***a customer (which can be either the seller or the buyer) or a dispute resolution specialist can access data using a web browser on a workstation 152. The data is securely transferred between the workstation 152 to a network 154. The network 154 can be the Internet or can be an intranet. A server 156 communicates with the network 154. The server 156 also communicates with a second server 158, which can be an e-commerce server such as the ColdFusion server, available from Allaire Inc. The server 158 is used as a Web Application Server to present HTML applications. These applications allow customers to file and manage disputes and dispute resolution specialists to manage cases over the Internet.***

***The server 158 receives data from a set of remote objects that reside in the partner's system 166. The remote objects, which can be enterprise Java Beans, are provided to allow business partners of the system to integrate with the dispute resolution system. Both DCOM objects and Enterprise Java Beans models can be used. These objects provide functionality to receive and send specific information to the dispute resolution system 130. The objects will transparently deal with communication issues including server unavailability and performance. Example functionality includes informing the dispute resolution system 130 of relevant partner transactions and allowing partners to query the dispute resolution system data such as the status of a specific marketplace seller 104.***

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***The server 158 in turn communicates with a structured query language (SQL) server 160. The SQL server 160 also communicates with a data manager 162. The data manager 162 in turn communicates with one or more partner databases 164. Partners integrate with the system, by exposing relevant functionality on their respective websites, for example, allowing customers to dispute a transaction. This integration is achieved by a predefined set of URLs that a partner embeds in the partner's HTML application.***

The appellant states that the Examiner asserts that applicant's claim 111 is obvious over Sloo in view of Collins based on the sole reason that Collins teaches that one of the users accessing the standalone system of Collins in Figure 1A may be a merchant and that the transaction being disputed may have occurred over the Internet. The appellant states that, thus, the Examiner argues that manual entry by a user into the standalone Collins system teaches applicant's requirement of automatically electronically communicating transaction data between a database of the online dispute resolution system and a database of an electronic marketplace.

First, the Examiner asserts that having a database does not preclude manual entry of data. Claim 111 depends on claim 1.

Secondly, the Examiner rejected claims 111 and 115 as follows:

Collins discloses a method and system with an online dispute resolution system (Figure 1a ZOPA database (140)) and marketplace ([0039] *customer may have a dispute with a merchant regarding a transaction occurring over the Internet*), the method and system further comprising:

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automatically electronically communicating the transaction data between the database on the online dispute resolution system and the electronic marketplace ([0039] and [0042]).

The Examiner asserts that while Collins discloses the online dispute resolution system having a database (Figure 1a ZOPA database (140)) neither Collins nor Sloo explicitly disclose a marketplace database.

However, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate into the complaint handling systems of Sloo and Collins a marketplace with a database so as to provide the marketplace with a means of maintaining transaction data concerning customers and transaction.

NOTE: Appellant is directed a recent CAFC decision, *Collegenet, Inc. v. Applyyourself, Inc.* (CAFC, 04-1202-1222, 1251, 8/2/2005) wherein the court held that "automatically" means "without human interaction, but may be human initiated or interrupted." Therefore, a process may be automatic even though a human initiates it.

The appellant states that the Examiner does not cite any evidence whatsoever as to how it would be obvious to one of ordinary skill in the art to incorporate a marketplace into the Sloo or Collins complaint handling systems and automatically communicate transaction data from the marketplace database to the online dispute resolution system database as required by 111 and 115. However, the Examiner asserts that any merchant that provides transactions over the Internet will inherently have some form of memory. Thus, the Examiner

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asserts that providing a marketplace with a database would have been an obvious form of memory. Moreover, Collins discloses:

[0039] In one potential application, for example, a customer may have a dispute with a merchant. The dispute may arise in connection with a transaction occurring over the Internet or the dispute may involve a transaction that occurred under other circumstances. A dispute may also arise in connection with multiple transactions related to one customer or one customer account. For example, a customer with a credit card account may dispute one or more items appearing on a credit card statement, each item corresponding to a purchase transaction. The customer may contact the issuer of the credit card to resolve such a dispute.

As disclosed above, Collins is directed to a customer having a dispute with a merchant arising over a transaction occurring over the Internet. The dispute may arise in connection with the customer's account, wherein the customer disputes one or more item appearing on a credit card statement. There Examiner asserts that inherently, the merchant has to store the transaction somewhere to be able to gain access to it once the credit card statement is received by the applicant. Thus, at the very least, a merchant providing online transaction will have a memory of some sort as a way of maintaining account information.

Moreover, Collins discloses:

[0042] In Fig. 1a, Party A and Party B engage in a negotiation session to resolve a situation. Although Fig. 1a shows only two parties there may be more than two parties engaged in a negotiation session. Each party preferably has a computer 110 and each party's computer 110 is connected to a central server 120 through a network. Party A initiates a negotiation session by connecting with the central server 120 and providing data to the central server 120 concerning the nature of the situation and the identity of Party B. Party B is then contacted by the central server 120 and asked to engage in the negotiation. If Party B accepts, each of Party A and Party B sends position data over the



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network to the central server 120. The data sent by the parties may include, for example, information defining the situation and desired resolutions, but the data is not limited to these types of information. Multiple issues may be presented by both parties in their position data. Based on the data provided, the server generates data characterizing a zone of possible agreements (ZOPA) 130, and the data is rendered as a set of components in a template. The template is provided to each party and shows the nature of the situation as presented by both parties. The template includes components showing possible resolutions to the positions of the parties. The central server process generates these components by accessing a database 140 stored on a digital storage medium in communication with the server. Thus, even though multiple issues are presented in a situation the server process is capable of generating a ZOPA 130 with one or more components with only one access to the database 140. The database 140 may be implemented, for example, as a relational database. The relational database associates the data from each party to components in the database to form the ZOPA template 130. The relational database contains statistical information concerning acceptable resolutions previously agreed to by other parties involved in a similar situation. Each party may then respond to the central server 120 by providing additional data, which may, for example, be entered via a provided ZOPA template. The central server 120 receives the new data, and based on this data creates a new ZOPA template 130 which narrows the issues of the situation. After an iterative process, a resolution is reached or a negotiation log is finalized for presentation to a mediator.

[0043] All data communications between the parties and the central server process, as well as communications between the parties, may be captured and recorded in the negotiation log file 150 by the server 120. The negotiation log 150 is a series of data fields constructed from the parties' answers posed by the server process. In one embodiment the data fields are a collection of structured data forming a database. Various display templates may be created for accessing specific fields and presenting them to the mediator, arbitrator, the parties or a third party. These display templates allow the data fields to be presented using a standard form. Accessing data fields and creating templates is known to those of ordinary skill in the art. The fields in general will be presented in their totality to each requestor, however, the data displayed in the templates may be amended, abbreviated, etc. based upon the requestor. For example expletives and derogatory statements may be removed prior to transmittal to a party. Further, consumer specific information, such as credit card numbers may be absent from a template which is to be viewed by a mediator or third party. The negotiation log is activated during the intake

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process and it is attached to a system assigned transaction number. The log is updated continually and remains archived and accessible indefinitely.

Thus, the Examiner asserts that when the merchant sends account data over a network regarding a disputed credit card item corresponding to a purchase transaction occurring with the merchant over the Internet, the account transaction data having been stored in a memory or database of the merchant, to the dispute resolution system wherein the data gets stored in the ZOPA database, then the data is being automatically electronically being communicated between the database of the electronic marketplace and the online dispute resolution system.

As for claim 115, this claim is directed to a system wherein the online dispute resolution system and the marketplace have separate databases, and wherein the online dispute system comprises a data manager software application to automatically communicate data between the database of the online dispute resolutions system and the database of the electronic marketplace. As for the language *to automatically communicate data between the database of the online dispute resolution system and the database of the electronic marketplace*, the Examiner asserts that this intended use language and thus is given little patentable weight since the systems of Collins and Sloo are fully capable of providing communication of data between databases.

Collins discloses preferred embodiments of the invention may be implemented as a computer program product for use with a computer system [0065].

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Furthermore, Sloo discloses a method and system wherein the subject (retailer/marketplace) responds to the complaint (the response) by entering information (transaction data) into one of the access terminals by emailing or transmitting the information to the central computer which includes conventional memory (databases) by way of the communication network (col. 6, lines 55-60) (see also column 3, lines 8-17, lines 18-30 *access terminals 14 receive complaints and responses from users, delivers them to the central computer and receives transmissions from the central computer*, each access terminal includes conventional memory (databases) and software for communicating with and interpreting the data.

Thus, Sloo discloses communicating data between a complainant and a responder (retailer) with the aid of a computer via an electronic communication network. The Examiner asserts that the fact that the online dispute resolution system and the marketplace have separate databases does not mean that they have to be separate computers. The information, i.e., the complaint and a response (data describing the transaction from the responder) are entered manually via access terminals (14) and then stored in the central computer (12) of the complaint handling apparatus (10) (*online dispute resolution system*) wherein the access terminals include conventional memory (databases) and *software* for communicating with and interpreting the data sent *from* the central computer (*data manager software*).

Furthermore, it is not clear to the Examiner that the Appellant's transaction data was not also manually entered into the computer at some point in time.

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The appellant states that the Examiner cites *Collegenet, Inc. v. Applyyourself, Inc.* (CAFC, 04-1202-1222, 1251, 8/2/2005) wherein the court held that "automatically" means "without human interaction, but may be human initiated or interrupted." The Examiner asserts that a process may be automatic even though a human initiates it. The term "automatic" also covers a human entering data and clicking a button to have the data electronically communicated.

The appellant states that *Collegenet* cuts entirely against the Examiner's rejection of claims 111 and 115. Thus, the appellant states that even by the Examiner's construction of the term "automatically," Sloo in combination with Collins fails to teach or suggest automatically electronically communicating the transaction data between the databases of the online dispute resolution system and the databases of the electronic marketplace. As stated above, the Examiner asserts that when the merchant sends account data over a network regarding a disputed credit card item corresponding to a purchase transaction occurring with the merchant over the Internet, the account transaction data having been stored in a memory or database of the merchant, the data being sent to the dispute resolution system where the data gets stored in the ZOPA database, then the data is being automatically electronically being communicated between the database of the electronic marketplace and the online dispute resolution system.

**Dependent Claims 110 and 113:**

The appellant argues that none of the cited prior art, either singularly or in combination, teaches or suggests an online dispute resolution system capable of

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receiving enrollment requests for the marketplace, let alone initiating enrollment in the online dispute resolution system in response to the request received from the marketplace.

The Examiner respectfully disagrees.

Collins discloses an apparatus and method for facilitating agreement over a network (Figure 1a and page 3 [0037]) wherein once the steps are taken by the parties in communication with the central processor to begin negotiation, step 300 begins the negotiation initialization state which, the Examiner asserts, might also be called the registration state as it includes identification of relevant parties and a determination of eligibility to participate (page 4 [0046] and Figure 2).

The appellant states that paragraphs [0046] and [0047] describe a negotiation process, and the only portion even relevant to initiating enrollment is step 300. Appellant states that step 300 merely mentions that the relevant parties are identified and their eligibility to participate determined. Thus, the appellant asserts that Collins does not describe any form of "automatic enrollment."

The Examiner, again, directs that appellant to *Collegenet, Inc. v. Applyyourself, Inc.* (CAFC, 04-1202-1222, 1251, 8/2/2005) wherein the court held that "automatically" means "without human interaction, but may be human initiated or interrupted." The Examiner asserts that an enrollment process may be automatic even though a human initiates it, enters data, and then, by clicking a button, electronically communicates the data.

Furthermore, the cited portions of Collins disclose:

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[0046] Fig. 2 is a flow chart showing the steps taken by parties in communication with a central processor to begin a negotiation. Step 300 begins the negotiation initialization. This stage might also be called the **registration stage**, as it includes identification of relevant parties and determination of eligibility to participate. Following the registration stage, the method proceeds to Step 400 which involves issue definition and clarification. At this stage, the parties define the situation in terms of one or more issues. The issues are defined by the server process which first presents a template containing general issues from a database to the parties. Based on the issues selected by the parties the server process selects narrower issues from the database refining the original issues to more specific issues. The issues are also clarified by the parties to ensure that there is agreement regarding which issues must be resolved in order to reach an agreement. Once the situation has been defined by a set of issues, the parties attempt to resolve each separate issue in the set of issues in Step 500. A zone of possible agreements (ZOPA) for an individual issue serves as a guideline for resolution of that issue. The ZOPA comprises a set of possible resolutions to an issue, each of which may be called a ZOPA component. Each ZOPA component is a general resolution of an issue, which may be further refined by the parties to include details specific to the situation. Resolution of an individual issue results in a tentative agreement contingent on the whole (TACOW). The TACOWs are refined and combined into a total agreement at the Post-Negotiation process 600.

[0047] Referring now to Fig. 3, negotiation initialization begins with Step 310 with a first party being introduced to the system and educated about the use of the system. Introduction and education may, for example, be achieved by displaying one or more screens to the first party. In Step 320, the first party may choose whether or not to participate in a negotiation session. For example, a screen providing the terms of use may be displayed to the first party. If the first party does not agree to the terms of use, the process ends. If the first party agrees to the terms of use, the method proceeds to Step 330 and the first party's position data is obtained. Position data obtained from the first party may, for example, include the first party's identity (name, address, phone # etc.), the identity of a second party with whom a dispute exists, and the date of the dispute, but is not limited to such data. The first party may complete a template that will provide structure to the data supplied by the first party, so that the data may be usefully managed in accordance with the method of the embodiment. The next step is to determine whether the first party is eligible, in accordance with a set of criteria, to appear in a session with respect to the situation, as shown in Step 340. Eligibility will necessarily depend on the context of use of the method of this embodiment. For

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example, ***if the method is used for dispute resolution in connection with goods sold by a merchant over the Internet***, and the first party has indicated that his dispute is unrelated to a transaction with the merchant, the criteria used in this determination will usefully be structured to render the first party ineligible to appear in the session. Similarly, it may be that the first party has a dispute that arose in connection with such a transaction, but the dispute is not really brought in good faith. For example, a party claims that a product does not perform a task even though the product was never intended for that task. In the event of a negative determination, the result is that a session is not established on the basis of the first party's Position data, and the implicit request to establish the session is declined in Step 345. If there is a determination of eligibility in Step 340, then in accordance with Step 350, a second party is invited to participate in the negotiation. In a preferred embodiment, a Negotiation Log file is created which records the position data obtained from the first party. It should be understood that the Negotiation Log file may be created at any other time following the first party's introduction to the system. In some embodiments, the Negotiation Log file may be provided to a human mediator or arbiter should the parties require live negotiation or arbitration. The second party is provided with the first party's position data which briefly outlines the situation that will be the subject of the negotiation session. The second party is also educated in a method similar to Step 310. At Step 360, the second party decides whether or not to participate as in Step 320. For example, if the second party agrees to the terms of use, the method proceeds to Step 370 and the second party's position data may be obtained in a method similar to the method of Step 330. The second party's position data is then recorded and added to the Negotiation Log file. If the second party does not agree to participate, the second party's non-agreement is recorded in the Negotiation Log file, and at Step 365 the second party enters into a first recovery stage. The first recovery stage is designed to persuade the second party to participate in a negotiation session.

Moreover, the applicant's enroll process is disclosed as follows on pages 15 and 16 of the specification:

FIG. 4 is a diagram illustrating a process 240 whereby a seller can request coverage from the dispute resolution system. Upon receipt of a request to initiate coverage, the system of FIG. 1 provides the seller with a welcome page 242 where the seller can enter his or her user identification and password information. If the user is new, the seller can enter a registration page 244 by clicking on a registration hotlink. Upon completing the registration process, the process of FIG. 4 notifies the

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seller of a successful registration and displays other relevant information in page 246 before looping back to the start of the process 240.

FIG. 5 shows a buyer registration process 270 for enrolling a buyer with the dispute resolution system of FIG. 1. First, the system provides a registration page 272 that guides the buyer through a registration process. The page 272 requests the user to enter information in an input box 274. The information required includes certain unique user identification information such as his or her electronic mail address, name, credit card type and number, and billing address. Once the dispute being filed passes the pre-screen, the buyer is charged with a filing fee. Additionally, a user agreement is displayed in a scrolling text box 276. The agreement binds the appellant to the online dispute resolution process. The buyer can view this agreement and, if acceptable, click on an acceptance button 278. After the user has filled out all items in the screen 272, the user can then click on a submit button 279 to enroll in the system.

When the submit button 279 is selected, the process then checks whether the buyer is authorized under his or her credit arrangement. If not, the process requests the user to reenter his or her identification information. Alternatively, if the user is authorized, the process updates a membership profile database, notifies the appellant of acceptance, and buyer can proceed to file the dispute. During normal transactions, the buyer can check whether a dispute resolution system logo is shown on the seller's site. If not, the buyer can request the seller to be a member of the dispute resolution system. If the seller agrees to join the dispute resolution system, a registration process is performed. Alternatively, if the seller does not agree to the terms of the dispute resolution system, the buyer makes a decision as to whether he or she is willing to commit to purchasing without the appropriate dispute resolution assurance and either proceeds with the transaction or cancels the transaction.

Thus, it appears that the applicant's enrollment process is much like Collins, wherein a screen is displayed for information to be entered for registering with the system. It appears that applicant's request for enrollment comes from the seller, not the marketplace. Moreover, Collins also discloses pre-registration or enrollment of merchants in paragraph [0053]:

[0053] Referring now to Fig. 9, an alternate embodiment of a method in accordance with the present invention is shown. The method described may be particularly suited, for example, to resolution of a post-transaction



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dispute between a consumer and a merchant. This is because the method does not require obtaining the second party's consent to participate in the process, as it may be implicitly determined if, for example, the second party is a merchant who has previously agreed to participate in sessions to resolve post-transaction disputes. Furthermore, many post-transaction disputes are similar in nature so that statistical data pertaining to previous resolutions to a similar situation may be particularly useful in aiding in the resolution of the present situation. In Fig. 9, the processes 1000, 1100, 1200, and 1300 roughly correspond to the processes 300, 400, 500, and 600 of Fig. 2.

The appellant states that the parties manually access the Collins dispute handling system and enter information and, thus, the cited section does not describe any form of enrollment request received for communication from an online marketplace. Appellant once again states that the Examiner has again erroneously construed applicant's claims to cover any user manually entering information. However, it appears that applicant's enrollment process also provides for manual entry of information.

Thus, the Examiner asserts that Sloo in combination with Collins disclose the limitations set forth in dependent claims 110 and 113.

#### **Dependent claims 2, 64 and 93**

Claim 2 is directed to the method of claim 1, further comprising automatically selecting one of two modes of resolving the dispute, the first mode requiring the online dispute resolution process being driven by an electronic agent to assist the parties in resolving the dispute and the second mode involving a human dispute resolution specialist.

Claim 64 is directed to the system of claim 112, wherein the online dispute resolution system further comprises:

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a database to store facts and outcomes of previously resolved disputes;  
and

a server that receives case information related to the dispute and compares the case information to the facts of previously resolved disputes stored by the database to product a result for use in selection of a mode of resolving the dispute, and presents a result of comparison to the parties via the network.

Claim 93 is directed to the system of 64, wherein the server compares the case information to facts of previously resolved disputes to automatically select a resolution mode comprising one of (i) direct negotiation mode that allows the parties to directly negotiate a resolution to the dispute via the computer network, (ii) a conciliation mode that allows the parties to negotiate the resolution to the dispute through a mediator, and (iii) mediation mode that allows a mediator to propose a resolution to the dispute.

First, the Examiner notes that claims 64 and 93 are directed to a system. Appellant, again, is trying to define something by what it does rather than what it is. MPEP 2114 states that while features of an apparatus may be recited either functionally or structurally, claims directed to an apparatus must be distinguished from the prior art in terms of structure rather than function. Moreover, intended use limitations are typical of claim limitations which may not distinguish over the prior art if the structure in the prior art is capable of performing the intended use.

Appellant states that claim 2 requires automatically selecting one of two modes of resolving a dispute, the first mode requiring the online dispute resolution process being driven by an electronic agent to assist the parties in

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resolving the dispute and the second mode involving a human dispute resolution specialist.

The Examiner asserts that Sloo discloses a method and system for complaint handling (*resolving disputes; page 2 lines 54-56*) over a complaint handling apparatus which includes a computer (Figure 1 and page 3, lines 8-30) wherein there are at least two modes (Figure 7), the first mode requiring the online dispute resolution process to be driven by an electronic agent (col. 7, lines 29-40 *Automatic Negotiator which allows the apparatus to determine a resolution to the dispute* and a second mode involving a human dispute resolution specialist (Judge/Jury Figure 7 (712)) (the system comprising a database (*col. 3, lines 8-17; col. 20, lines 25-26 storing means for storing*) and server that receives information and compares the information to produce a result for use by the parties in selection of a mode (col. 10, lines 58-66 the program may compare the current situation with other similar situations having known outcomes and predict the outcome for the present situation base on these known outcomes. Artificial intelligence techniques may be used to predict an outcome; col. 11, lines 21-36; col. 20, lines 57-58 *comparing means for comparing said data*) comprising automatically selecting one of two modes of resolving the dispute (Figure 7), the first mode requiring the online dispute resolution process being driven by an electronic agent to assist the parties in resolving the dispute (Automatic Negotiator (Figure 7 (702) and the second mode involving a human dispute resolution specialist (Figure 7 (712) Judge/Jury).

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Sloo clearly discloses a method and system for complaint handling (resolving disputes) (Page 2 lines 54-56) over a complaint handling apparatus which includes a computer (Figure 1 and page 3, lines 8-30) wherein there are at least two modes (Figure 7), the first mode requiring the online dispute resolution process to be driven by an Automated Negotiator (electronic agent) which allows the apparatus to determine a resolution to the dispute and a second mode involving a Judge/Jury (human dispute resolution specialist).

Appellant states that claim 64 requires a database and a server. Collins discloses a database and a server in Figure 1a. The fact that the sever compares facts to produce a result for use in selection of a mode would be intended use of the system. Furthermore, Sloo discloses the limitations of claims 2 and 64, as set forth above.

Claim 93 is also directed to a system. Thus, the same arguments as to 64 applies to 93.

Applicant's states that the Examiner has failed to address the limitation of claim 64 wherein a server that receives case information related to the dispute and compares the case information to the facts of previously resolved disputes stored by the database to product a result for use in selection of a mode of resolving the dispute, and presents a result of comparison to the parties via the network.

Once again, claim 64 is directed to an apparatus. Secondly, Sloo discloses comparing facts to previously resolved disputes to produce and display a result for use by the parties in selection of the resolution mode (column 8, line

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50 thru col. 9, line 10; col. 10, line 54 thru col. 11, line 5; col. 11, lines 27- 36).

Thus, Sloo in combination with Collins disclose this limitation.

Appellant presents arguments as to comments presented by a previous Examiner in prior previous Office Action dated September 12, 2003. However, the September 12, 2003 is not the most recent Office Action. The previous Examiner also provided a rejection on March 12, 2004 and subsequently Appellant filed a Request for Continued Examination. The most recent amendments and arguments are addressed in the Office Action dated September 7, 2004. Therefore, the Examiner does not consider the comments as to the September 12, 2003 Office Action to be relevant.

**The Third Ground of Rejection to be Reviewed on Appeal is the rejection of claims 28-31, 114, and 116-117 under 35 U.S.C. 103(a) as being unpatentable over Sloo and Collins as applied to claim 1 and 112 above, and further in view of [www.truste.com](http://www.truste.com) (retrieved from the Internet Archive Wayback Machine) (hereinafter referred to as TRUSTe).**

Appellant argues that claim 30 requires communicating membership data from the online dispute resolution system to the marketplace (not *online* marketplace as asserted by applicant) to indicate the availability of the dispute resolution system and the membership of the buyers and sellers in the dispute resolution process. Appellant states on page 27 of the Appeal Brief that:

As described in the present application, software objects executing within a partner system (e.g., the online marketplace 102) provide functionality to receive and send specific information to and from the dispute resolution system.<sup>4°</sup> According to the present application, the partner system can query the dispute resolution system data to receive status of a particular marketplace seller. ***Based on the status, the partner system can provide visual indicia that a seller in a transaction has membership in the dispute resolution system. Appellant further describes how, upon enrolling a seller and updating a membership database, a***

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***process executing within the dispute resolution system sends visual indicia such as a graphical medallion to the online marketplace to be displayed by the partner system.***

The Examiner asserts that the appellant is arguing limitations not presented in the claim language.

The Examiner rejected claim 30 as follows:

The limitations of claim 1 are rejected by Sloo in combination with Collins.

TRUSTe discloses communicating membership data from the online dispute resolution to the marketplace (page 32-34 member directory); and automatically showing a visual indicia within the marketplace to indicate the availability of the dispute resolution system and the membership of buyers or sellers in the dispute resolution process (pages 14 TRUSTe "trustmark," an online branded seal; 19 and 23 Our "Seal of Trust" and Assurance Process; the site agrees to display the trustmark)

The appellant states that the Examiner entirely overlooks the requirement of communicating membership data from the online dispute resolution system to marketplace. The Examiner asserts that TRUSTe in combination with Sloo and Collins discloses this limitation. Furthermore, appellant is directed to pages 1 and 8 of TRUSTe, wherein the membership database show merchants as being members.

The appellant argues that the Examiner fails to address applicant's claim requirement that the visual indicia is then automatically shown in the marketplace to indicated the availability of the dispute resolution system. Once again, the

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claim limitations are met when TRUSTe, Sloo and Collins are applied in combination.

It appears that appellant is again arguing that automatically showing a visual indicia means there is no human interaction. The appellant states that to display the TRUSTe trustmark, the entire process of updating the site must be performed by a user and no portion of this process is automated based on membership data. However, TRUSTe does automatically display a trustmark on licensees Web site (page 23) and the persons displaying the mark must be members.

The Examiner, again, directs that appellant to *Collegenet, Inc. v. Applyyourself, Inc.* (CAFC, 04-1202-1222, 1251, 8/2/2005) wherein the court held that "automatically" means "without human interaction, but may be human initiated or interrupted."

Furthermore, the appellant discloses on page 5 of the specification that:

A visual indicia can be used to indicate membership in the dispute resolution process. The visual indicia can be a medallion. The system can emulate a court for on-line transaction parties.

Page 15 of applicant's disclosure discloses:

In all the above cases, if the seller's coverage is successful, the process updates a membership profile database, notifies the appellant of acceptance, and sends indicia such as a medallion to be displayed on the seller's point of sale.

Thus, the Examiner asserts that applicant does not disclose an automated updating of the site as applicant is now trying to claim the process to be.

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**The Fourth Ground of Rejection to Be Reviewed is the rejection of claim 108 under 35 U.S.C. 103(a) as being unpatentable over Sloo in view of Slaikeu (US Patent 2001/0007106).**

Claim 108 is directed to:

The method of claim 1, further comprising:

training a dispute resolution specialist by requiring the dispute resolution specialist to experience transactions within online marketplaces including at least an auction site;

outputting simulated online dispute resolution cases to the dispute resolution specialists via the computer network to assess the skill of the dispute resolution specialists; and

assigning online disputes to the dispute resolution specialists only upon completion of the training and successful resolution of the simulated online dispute resolution cases.

Referring to claim 108, the Examiner rejected the claim as follows:

Sloo discloses intervention by pre-qualified persons (judge/jury)(col: 8, lines 5-18)

The Examiner asserts that Sloo does not a method further comprising:

training a dispute resolution specialist by requiring the dispute resolution specialist to experience transactions within online marketplaces including at least an auction site;



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outputting simulated online dispute resolution cases to the dispute resolution specialists via the computer network to assess the skill of the dispute resolution specialists; and

assigning online disputes to the dispute resolution specialists only upon completion of the training and successful resolution of the simulated online dispute resolution cases.

However, the Examiner asserts that Slaikeu discloses a method comprising training a dispute resolution specialist (page 3 [0025- 0026]).

Furthermore, the Examiner takes Official Notice that online training is old and well known and has become an established business practice as is exemplified by online CLE classes, online graduate classes and testing. Furthermore, providing simulations of situations is also an old and well known way to train. Thus, the Examiner asserts that it would be an obvious modification to provide dispute training online and to provide simulated situations.

Claim 108 was added in the amendment filed on December 10, 2003. The previous Examiner took Official Notice to the limitations in claim 108 which appellant did not challenge. This Examiner took Official Notice as to Claim 108 in the Office Action mailed on September 7, 2004. The appellant failed to traverse this Official Notice in the Appeal Brief submitted on January 10, 2005 or the Reply Brief submitted on July 7, 2005.

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Furthermore, the Examiner asserts that a "traverse" is a denial of an opposing party's allegations of fact.<sup>1</sup> The Examiner respectfully submits that applicants' arguments and comments do not appear to traverse what Examiner regards as knowledge that would have been generally available to one of ordinary skill in the art at the time the invention was made. Even if one were to interpret applicants' arguments and comments as constituting a traverse, applicants' arguments and comments do not appear to constitute an adequate traverse because appellant has not specifically pointed out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. 27 CFR 1.104(d)(2), MPEP 707.07(a). An adequate traverse must contain adequate information or argument to create on its face a reasonable doubt regarding the circumstances justifying Examiner's notice of what is well known to one of ordinary skill in the art. In re Boon, 439 F.2d 724, 728, 169 USPQ 231, 234 (CCPA1971).

The Examiner asserts that since appellant has not seasonably traversed the well known statement during examination, then the object of the well known statement is taken to be admitted prior art. In re Chevenard, 139 F.2d 71, 60 USPQ 239 (CCPA 1943). MPEP 2144.03.

Furthermore, Slaikeu discloses the following:

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<sup>1</sup> Definition of Traverse, Black's Law Dictionary, "In common law pleading, a traverse signifies a denial."

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[0025] Further, the rules require a review of the education and training process and result in recommendations for implementing training to support the new organizational conflict handling procedure. Training for the implementation of the changes to the existing organizational conflict handling procedures includes an orientation for supervisors and the entire workforce. This training educates the individuals as to the nature of the program, the benefits of the program for all employees, and links conflict management to the company's strategic initiatives.

[0026] Subsequently, **the training element includes training in-house specialists in the core skills of dispute resolution. This is designed to equip those who staff the program with the necessary skills to resolve disputes.** Finally, an essential element of the recommendation is training all employees and managers for prevention and early intervention in all future conflict situations. As illustrated in FIGS. 1 and 3, early resolution is the starting place of the preferred path for the expert system for the analysis of organizational conflicts handling procedures 10 in every case.

Thus, the Examiner asserts that Slaikeu discloses training a dispute resolution specialists. The Examiner asserts that training by simulating a dispute is old and well known and that most dispute specialist are required to complete some type of training prior to being able to perform such services.

#### **Applicant's 132 Declaration**

The Examiner stated in the Office action mailed September 23, 2005 that the declaration under 37 CFR 1.132 filed June 13, 2003 is insufficient to overcome the rejection of claims 30 and 31 based upon the new grounds of rejection. Appellant now states that the evidence is relevant to claims 1 and 112.

The Examiner maintains that the evidence is insufficient to also overcome the rejections of claims 1 and 112.

As stated in the Office action dated September 23, 2005, upon review of the record it is determined that the previous Examiner did fail to make a written

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record of consideration of the 132 declaration. However, since the previous Examiner last examined the application, the Appellant has filed a Request for Continued Examination and Appellant's submission filed on April 12, 2004 has been entered. The April 12, 2004 response made no mention of the 132 declaration in the Remarks. Furthermore, since the June 13, 2003 date of the submission of the declaration, the Appellant has made considerable amendments to claims 30 and 31. Thus, the declaration would not be relevant to the claim language that is now on appeal. In addition, claim 112 was not added until the amendment submitted on April 12, 2004.

Moreover, upon reviewing the declarations under 37 CFR 1.132 it is determined that the declarations are insufficient to overcome the rejection of claims 30 and 31 based upon Sloo and Collins in view of Truste because:

The declarant, Stephen Abernathy, is the CEO of the assignee and thus any declaration by this person would be considered to be biased since the declarant would have a financial interest in the grant of a patent on this invention.

The first seven pages of the declaration appear to be merely opinion evidence and unsupported or uncorroborated allegations.

The Appellant has failed to link the alleged commercial success to the subject matter in the claimed language. This is especially true as to claims 1 and 112 which applicant now asserts that the declarations are relevant evidence.

The Appellant has failed to provide any evidence as to the allegation of long felt need. There is no evidence that a problem existed in the art for a long period of time and that the claimed invention solved the problem

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The Appellant has failed to provide any objective evidence supporting patentability of the invention.

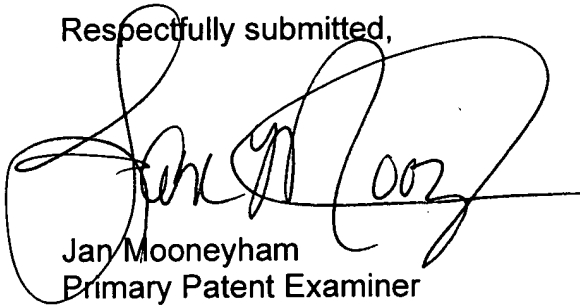
It is unclear to the Examiner what the declaration of Ethan Katsh is trying to establish or what the Appellant is relying on the declaration to prove.

**(11) Related Proceeding(s) Appendix**

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

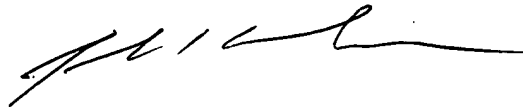
Respectfully submitted,



Jan Mooneyham  
Primary Patent Examiner  
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Conferees:

John Weiss, Supervisory Patent Examiner, Art Unit 3629



Dennis Ruhl, Primary Patent Examiner, Art Unit 3629

